

IDAHO EMPLOYMENT

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County Profiles Available on Internet

The Regional Labor Economists have developed profiles for each of Idaho's 44 counties, the state, rural counties, and urban counties. The profiles are a one-page synopsis of the latest population, labor force, nonfarm jobs, covered employment and wages, per capita income, a list of major employers, and occupational wages. For those who want the latest on Unemployment Insurance (UI) activity by county, there is a separate UI profile with annual weeks claimed and dollars paid out as well as year-to-date information. The profiles can be accessed by going to the Idaho Department of Labor's home page (www.jobservice.us) and selecting "Labor Market Information" and then "Publications" or by typing: www.jobservice.us/lmi/pubs/lmipubmenu.htm. This site lists all department publications that are available on the Internet. Select County Profiles and then the county you are interested in. If you don't know the name of the county you are interested in, a map has been provided showing the county locations. On the menu, just click on a county name and the profile will be displayed. The County Unemployment Insurance Data Profiles are also listed on this site. If you have questions or need additional information, please contact one of the Regional Labor Economists or Janell Hyer at (208) 332-3570 ext 3220 or jhyer@jobservice.us.

State Overview

Labor force data for the state, labor market areas, counties, and cities can be found in State Table 1 on page 3.

The state's seasonally adjusted unemployment rate for July 2002 is 5.4 percent, up two-tenths of a percentage point from June. Idaho's July unemployment rate is five-tenths of a percentage point above the 4.9 percent rate experienced one year ago. The current unemployment rate is below the national rate of 5.9 percent, which was unchanged from June.

Seasonally adjusted total employment stood at 652,900 persons in July, representing a decline of 1,300 people from June. This follows a 1,500 person increase from May to June, 2002. However, total employment shows an increase of 2,500 persons from July 2001. During 2002, total employment has remained above the year-ago level in Idaho. However, the number of people working in January 2002 was 15,300 more than in January 2001, while only 2,500 more people were working in July 2002 than in July 2001. The slowdown in the number of new people working reflects the overall slowdown of Idaho's economy. The impact on the number of new jobs will be discussed later.

In July, the number of unemployed workers in Idaho increased by 1,700 persons from June to 37,400. In prior years, the year-over-year

New Feature Introduced this Month!

Ask The Economist, debuting this month on page 23, will be a regular feature of the *Idaho Employment* newsletter. The Idaho Department of Labor fields a myriad of questions daily from a variety of people in the state and across the country — students, teachers, public officials, job seekers, researchers, you name it. Each month, we'll take one of our most frequently asked questions and answer it on the pages of this newsletter in the hopes we'll be answering YOUR question.

If you have any questions you'd like to see discussed in *Ask the Economist*, please send them to lmj@jobservice.us or send them by U.S. Postal Service to Public Affairs, Idaho Department of Labor, 317 W. Main St., Boise, ID 83735.

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change in the number of unemployed workers has been evenly split between increases and decreases, so the increase in the number of unemployed workers is not unusual. Although the number of jobless persons is up from July 2001, the increase of 3,600 people is less than the 8,200 more people that were unemployed in January 2002 compared to January 2001. The decline in the number of new jobless persons began in February and that number reached its lowest level in May with only 900 new people unemployed. The number of new jobless people rose both in June and July. The number unemployed will continue to increase throughout the remainder of the year, but at a much slower rate than we have experienced in the last 18 months.

During the last 25 years, the seasonally adjusted unemployment rate has increased 14 times from June to July in Idaho. The largest increase, five-tenths of a percentage point, occurred in 1985 when the unemployment rate grew from 7.9 percent in June to 8.4 percent in July. The unemployment rate has dropped seven times with the most recent decreases occurring in 1998 and 1999. The average increase in the unemployment rate between June and July was two-tenths of a percentage point and the average decrease was also two-tenths of a percentage point. This year, Idaho followed the trend of increasing unemployment rates—up two-tenths.

Area Labor Force Highlights

Unemployment rates are calculated each month for eight labor market areas (LMA) in Idaho—Seaport LMA, Boise City Metropolitan Statistical Area (MSA), Pocatello City MSA, Bonneville LMA, Cassia-Minidoka LMA, Idaho-Lewis LMA, Panhandle LMA, and Magic Valley LMA. State Table 1 lists the counties located in each labor market area.

The Idaho-Lewis LMA retained its dubious distinction of having the highest unemployment rate of the labor market areas at 9.2 percent. This has been its standing since November 1991 with the exception of two months—November 2000 when the unemployment rate was the same as the Panhandle LMA's and May 2002 when the Panhandle LMA's unemployment rate was higher, ending the consecutive month record. The Idaho-Lewis LMA has the lowest *Civilian Labor Force* level of any labor market area in the state and a change in the employment status of just a few people can have a measurable effect on the unemployment rate. For example, although the *Civilian Labor Force* and the number of employed persons in the Idaho-Lewis LMA remained nearly the same in July as in June, an increase of 42 unemployed persons drove the unemployment rate from 8.7 percent to 9.2 percent.

The Panhandle continued to have a high unemployment rate at 8.7 percent. Although total employment decreased by less than 50 persons from June, there was an increase of over 550 persons in the number of unemployed, increasing the unemployment rate from June's 8.2 percent. In both the Idaho-Lewis LMA and the Panhandle LMA, weather or economic conditions in the natural-resource based industries can have a significant effect on the unemployment rate. The other northern Idaho labor market area, the Seaport LMA, had an unemployment rate of 4.8 percent.

The LMAs with the lowest unemployment rates were Bonneville LMA and Magic Valley LMA each with an unemployment rate of 3.8 percent.

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or to the Regional Labor Economists noted in each area news section.

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County Labor Force Highlights

Four of Idaho's 44 counties had double-digit seasonally adjusted unemployment rates in July:

- » Clearwater County—13.6 percent
- » Adams County—13.0 percent
- » Benewah County—11.4 percent
- » Shoshone County—11.3 percent

Conversely, two counties had unemployment rates below 3.0 percent—Gooding County at 2.8 percent and Madison County at 1.8 percent.

Nonfarm Payroll Jobs

Nonfarm Payroll Jobs in July decreased for the first month since January. It decreased by 0.7 percent, or 3,500 jobs, from June to a level of 569,900 jobs in July. Only once in the last 10 years has the number of jobs not dropped between June and July. The average decrease has been 0.7 percent. The only exception was in 1993 when the number of jobs increased by one-tenth of a percentage point. Although the month-over-month comparison in nonfarm jobs showed a decrease, only two major industrial sectors actually reported a loss of jobs—*Transportation, Communication, & Utilities* and *Government*. Their combined loss of 6,500 jobs could not be offset by gains in the other sectors. There was the typical, seasonal decline in education jobs as schools closed for the summer and laid off their non-contract personnel, resulting in a loss of 7,000 jobs.

Unlike *Total Employment*, *Nonfarm Payroll Jobs* continued to report a loss in the year-over-year data. The number of nonfarm jobs in July 2002 was 0.5 percent, or 2,700 jobs, fewer than July 2001. This is the third consecutive month when the number of new jobs in the year-over-year change has been negative. It is also the seventh decrease in the last eight months that a small increase (less than 1,000) has been reported in April.

So what has happened since January 2001?

Since the changes that occurred between June and July were typical and for the most part of a seasonal nature, let's look at the year-over-year changes. Perhaps we could answer some of the "Why are we here?" questions.

Goods-Producing Industries

The *Goods-Producing Industries* have experienced a loss in the number of jobs for the longest period of time. Since June 2001, with a year-over-year loss of 550 jobs from June 2000, the number of jobs has decreased every month from the prior year. The peak loss of jobs occurred in March 2002 when there were nearly 10,100 fewer jobs than in March 2001. The three basic industrial sectors that make up the *Goods-Producing Industries* include *Mining*, *Construction*, and *Manufacturing*. Each of these three industrial sectors has experienced a year-over-year decrease in jobs.

Mining has experienced a year-over-year job loss every month since June 1997. The job loss has been in

State Table 1: July 2002 Labor Force (preliminary)

Seasonally Adjusted	Labor Force	Unemp.	% Unemp.	Total Emp.
Seaport LMA	35,615	1,696	4.8	33,919
Nez Perce County	23,651	971	4.1	22,680
Asotin County, WA	11,964	725	6.1	11,239
Boise City MSA	252,983	12,372	4.9	240,611
Ada County	182,728	7,928	4.3	174,800
Canyon County	70,255	4,444	6.3	65,811
Pocatello City MSA*	40,902	2,406	5.9	38,497
Bonneville LMA	83,332	3,195	3.8	80,137
Bingham County	22,772	1,087	4.8	21,685
Bonneville County	48,249	1,641	3.4	46,608
Butte County	1,662	68	4.1	1,594
Jefferson County	10,650	399	3.7	10,250
Cassia-Minidoka LMA	18,641	1,035	5.6	17,606
Cassia County	9,260	488	5.3	8,771
Minidoka County	9,382	547	5.8	8,834
Idaho-Lewis LMA	7,790	716	9.2	7,074
Idaho County	6,251	620	9.9	5,631
Lewis County	1,539	95	6.2	1,443
Panhandle LMA	92,111	8,036	8.7	84,075
Benewah County	4,545	518	11.4	4,027
Bonner County	17,863	1,472	8.2	16,391
Boundary County	4,501	278	6.2	4,222
Kootenai County	58,414	5,004	8.6	53,411
Shoshone County	6,788	765	11.3	6,024
Magic Valley LMA	49,413	1,854	3.8	47,559
Gooding County	6,838	190	2.8	6,649
Jerome County	9,217	309	3.3	8,909
Twin Falls County	33,358	1,356	4.1	32,002
Adams County	1,703	221	13.0	1,482
Bear Lake County	2,647	124	4.7	2,523
Blaine County	12,244	474	3.9	11,770
Boise County	2,669	173	6.5	2,497
Camas County	370	15	4.1	355
Caribou County	3,225	238	7.4	2,987
Clark County	587	24	4.2	562
Clearwater County	3,789	514	13.6	3,274
Custer County	2,104	139	6.6	1,965
Elmore County	10,029	893	8.9	9,136
Franklin County	5,021	176	3.5	4,845
Fremont County	4,781	276	5.8	4,504
Gem County	6,166	514	8.3	5,652
Latah County	16,675	609	3.7	16,066
Lemhi County	3,631	213	5.9	3,418
Lincoln County	1,802	69	3.8	1,733
Madison County	12,646	223	1.8	12,423
Oneida County	1,662	62	3.7	1,601
Owyhee County	4,852	263	5.4	4,590
Payette County	9,627	581	6.0	9,046
Power County	3,170	232	7.3	2,939
Teton County	3,579	117	3.3	3,463
Valley County	4,111	364	8.9	3,747
Washington County	4,418	348	7.9	4,070
State of Idaho	690,334	37,447	5.4	652,887
Idaho Cities				
Boise	115,339	4,965	4.3	110,374
Coeur d'Alene	20,488	1,333	6.5	19,155
Idaho Falls	29,695	1,057	3.6	28,638
Lewiston	20,054	698	3.5	19,356
Nampa	21,400	1,427	6.7	19,973
Pocatello	29,196	1,678	5.7	27,518
Twin Falls	17,415	752	4.3	16,664

* Pocatello MSA includes all of Bannock County.

the *Metal Mining* sector. What once was a major industry in Idaho providing 5,700 jobs in July 1981, the *Metal Mining* sector reported 1,900 jobs in July 2002, a 67 percent decrease. The price for silver has dropped making it no longer cost effective to mine. Most of the large silver mines in North Idaho have closed as a result.

Construction jobs began to decline in November 2001 with about 500 fewer jobs than in November 2000. As the demand for new commercial and residential building has declined, so has the number of new jobs. The number of new jobs has increased on a month-over-month basis since March 2002. However, the year-over-year change has resulted in over 3,000 fewer jobs in both June and July 2002. Approximately 60 percent of the jobs in this sector are in *Special Trade Contractors*. This sector includes plumbers, painters, electricians, excavators, masons, concrete workers, etc. This sector also accounts for two-thirds of the lost jobs. Activity in the *Special Trade Contractor* sector contributes to all areas of construction. The significant drop in the increase in the number of new jobs is directly related to the decrease not only in home construction but also in commercial building and highway construction. The weakness in the economy has led to caution in the construction sector.

Manufacturing has experienced year-over-year job losses since April 2001. At first, one may think the job losses are related to the downturn and layoffs in the electronics sector. However, there are several sectors that have contributed to the slowdown.

- *Lumber & Wood Products* has been losing jobs since January 1995 when the number of jobs was 15,164, up 170 from January 1994, except for a small increase of 33 jobs in February 1997. The decrease in the lumber industry was not only due to the closure of sawmills and reduced logging, but also to a year-over-year decrease in the number of jobs in *Wood Buildings & Mobile Homes*. The 29 month trend was broken in January 2002 when the reported 1,089 jobs were 45 higher than January 2001. The year-over-year increases continued until July when a loss was again experienced.
- The year-over-year loss of jobs in the electronics sector began in June 2001 with 349 fewer jobs. The layoffs began in March 2001 in *Industrial & Commercial Machinery & Computer Equipment*. The other portion of the electronics industry (*Electronic & Other Electrical Equipment & Components, exc. Computers*) experienced its first year-over-year loss in August 2001 as the number of jobs dropped 316. The largest year-over-year decrease occurred in March 2002 when the electronics industry reported 22,194 jobs—3,930 below March 2001. Since March 2002, the job losses have begun to decrease as there were an estimated 22,400 jobs in July, up about 200 from March and down only 2,100 from July 2001. The electronics industry began to show improvement as cost-cutting

measures have been completed, corporations are showing profits, and demand is increasing. This sector will probably never return to the time when the number of jobs would increase by the hundreds on a monthly basis, but the number of jobs should remain stable with slight increases as the economy rebounds.

- The *Food Processing* industry began to lose jobs in July 1999 following the announcement that H. J. Heinz was moving its Boise office to Philadelphia. H. J. Heinz (best known in Idaho as Ore-Ida) had operations in the Treasure Valley for a number of years—an administrative office in Boise and processing plants in Payette and Ontario. The resulting loss of nearly 400 jobs was a major contributor to the year-over-year downturn that continues through July 2002. The potato processing plants have been consolidating operations for several years as they struggle to meet the changes in the market and the increased costs associated with transportation, maintenance, technology, and several companies relocating.
- The *Chemical & Allied Products* industry has reported a year-over-year decrease since July 2001. The Astaris, LLC (formerly FMC) plant in the Pocatello area closed in mid-December after nearly 40 years of producing elemental phosphorus. The layoffs began in June 2001 with the closure in December 2001, eliminating nearly 400 jobs. The rise in energy prices, combined with heightened global competition, forced Astaris, LLC to close their doors.

The *Services-Producing Industries* as a whole have not have experienced year-over-year losses in the number of jobs. However, there are individual industrial sectors that have experienced job losses. Since June 2001, the number of jobs in the *Service-Producing Industries* has increased by 5,200 to 458,500 jobs. Industries reporting significant job losses are *Motor Freight Transportation & Warehousing*, *Wholesale Trade*, *Food Stores*, and *Hotels & Other Lodging Places*.

The trucking industry began to lose jobs in April 2001 with a loss of approximately 100 jobs. The drop came as the demand for products from Idaho's electronics industry began to decrease. However, it was not just the electronics industry, but also the overall slowdown of the economy which resulted in fewer goods being shipped out of or shipped into Idaho. With the reduction in commodities, there also came a reduction in the number of truckers, operators, maintenance jobs, office staff, and other support personnel. The loss of jobs peaked in 1st quarter 2002 with nearly 600 losses compared to 1st quarter 2001. As the agricultural growing season comes to an end, the need for truckers to get the raw products to the market or processing plants will increase. As the na-

(continued on page 24)

State Table 2: Nonfarm Payroll Jobs

BY PLACE OF WORK	July 2002*	June 2002	July 2001	% Change From	
				Last Month	Last Year
Nonfarm Payroll Jobs**	569,900	573,800	572,600	-0.7	-0.5
GOODS-PRODUCING INDUSTRIES	111,400	110,400	119,300	0.9	-6.6
Mining	1,900	1,800	2,200	5.6	-13.6
Metal Mining	500	500	800	0.0	-37.5
Construction	37,800	37,200	40,800	1.6	-7.4
Manufacturing	71,700	71,400	76,300	0.4	-6.0
Durable Goods	43,800	43,700	47,100	0.2	-7.0
Lumber & Wood Products	11,100	11,000	12,000	0.9	-7.5
Logging	2,200	2,000	2,500	10.0	-12.0
Sawmills & Planing Mills	4,100	4,100	4,400	0.0	-6.8
Wood Buildings & Mobile Homes	1,100	1,100	1,200	0.0	-8.3
Other Lumber & Wood Products	3,700	3,800	3,900	-2.6	-5.1
Stone, Clay, Glass & Concrete Products	1,600	1,600	1,600	0.0	0.0
Fabricated Metal Products, exc. Machinery & Transportation Equip.	2,900	2,900	3,000	0.0	-3.3
Industrial & Commercial Machinery & Computer Equipment	9,300	9,300	10,100	0.0	-7.9
Electronic & Other Electrical Equip. & Components, Exc., Computer	13,100	13,100	14,400	0.0	-9.0
Transportation Equipment	2,200	2,200	2,300	0.0	-4.3
Other Durable GoodsM	3,600	3,600	3,700	0.0	-2.7
Nondurable Goods	27,900	27,700	29,200	0.7	-4.5
Food Processing	16,900	16,800	17,500	0.6	-3.4
Canned, Frozen, & Preserved Fruits, Vegetables & Food Specialties	9,300	9,100	9,800	2.2	-5.1
Paper Products	2,100	2,100	2,200	0.0	-4.5
Printing, Publishing & Allied Products	4,900	4,900	5,100	0.0	-3.9
Chemicals & Allied Products	2,000	2,000	2,400	0.0	-16.7
Other Nondurable Goods	2,000	1,900	2,000	5.3	0.0
SERVICE-PRODUCING INDUSTRIES	458,500	463,400	453,300	-1.1	1.1
Transportation, Communications, & Utilities	27,400	27,500	28,000	-0.4	-2.1
Transportation	16,800	16,900	17,500	-0.6	-4.0
Railroad	1,300	1,300	1,300	0.0	0.0
Motor Freight Transportation & Warehousing	10,100	10,000	10,100	1.0	0.0
Communications	6,500	6,500	6,500	0.0	0.0
Electric, Gas, & Sanitary Services	4,100	4,100	4,000	0.0	2.5
Trade	141,600	141,200	142,000	0.3	-0.3
Wholesale Trade	31,600	31,900	31,400	-0.9	0.6
Durable Goods	14,800	14,900	14,900	-0.7	-0.7
Nondurable Goods	16,800	17,000	16,500	-1.2	1.8
Retail Trade	110,000	109,300	110,600	0.6	-0.5
Building Materials, Hardware, Garden Supply & Manuf. Home Dealers	7,200	7,200	7,000	0.0	2.9
General Merchandise Stores	14,100	13,900	13,500	1.4	4.4
Food Stores	18,600	18,400	19,000	1.1	-2.1
Automotive Dealers & Gasoline Service Stations	12,300	12,300	12,500	0.0	-1.6
Eating & Drinking Places	39,000	38,700	39,100	0.8	-0.3
Finance, Insurance & Real Estate	24,900	24,800	24,500	0.4	1.6
Banking	7,500	7,500	7,400	0.0	1.4
Services	156,100	155,000	153,700	0.7	1.6
Hotels & Other Lodging Places	8,300	8,100	9,300	2.5	-10.8
Personal Services	4,400	4,300	4,300	2.3	2.3
Business Services	29,600	29,600	30,000	0.0	-1.3
Amusement and Recreation Services	8,200	7,700	8,400	6.5	-2.4
Health Services	40,700	40,500	38,300	0.5	6.3
Hospitals	14,000	13,900	13,000	0.7	7.7
Engineering, Accounting, Research, Management, & Related Services	20,200	20,200	19,200	0.0	5.2
Government	108,500	114,900	105,100	-5.6	3.2
Federal Government	15,500	14,900	14,500	4.0	6.9
State & Local Government	93,000	100,000	90,600	-7.0	2.6
State Government	26,800	27,300	27,200	-1.8	-1.5
Education	11,400	11,800	11,400	-3.4	0.0
Administration	15,400	15,500	15,800	-0.6	-2.5
Local Government	66,200	72,700	63,400	-8.9	4.4
Education	33,300	39,900	32,200	-16.5	3.4
Administration	32,900	32,800	31,200	0.3	5.4

* Preliminary Estimate

** Estimates include all full or part time wage and salary workers who worked or received pay in the following industry groups during the pay period ending nearest the 12th of the month.

DATA PREPARED IN COOPERATION WITH THE BUREAU OF LABOR STATISTICS

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State Table 3: Economic Indicators

State Table C: Economic Indicators

				% Change From					
	July 2002	June 2002	July 2001	Last Month	Last Year				
IDAHO LABOR FORCE ⁽¹⁾									
Seasonally Adjusted									
Civilian Labor Force	690,300	689,900	684,200	0.1	0.9				
Unemployment	37,400	35,700	33,800	4.8	10.7				
Percent of Labor Force Unemployed	5.4	5.2	4.9						
Total Employment	652,900	654,200	650,400	-0.2	0.4				
Unadjusted									
Civilian Labor Force	701,300	699,900	695,500	0.2	0.8				
Unemployment	33,500	32,600	30,200	2.8	10.9				
Percent of Labor Force Unemployed	4.8	4.7	4.3						
Total Employment	667,800	667,300	665,300	0.1	0.4				
U. S. UNEMPLOYMENT RATE ⁽²⁾	5.9	5.9	4.6						
U.S. CONSUMER PRICE INDEX ⁽²⁾									
Urban Wage Earners & Clerical Workers (CPI-W)	176.1	175.9	173.8	0.1	1.3				
All Urban Consumer (CPI-U)	180.1	179.9	177.5	0.1	1.5				
AGRICULTURE									
Agriculture Employment	42,930	39,900	39,080	7.6	9.9				
Operators	9,010	9,010	9,010	0.0	0.0				
Unpaid Family	690	640	610	7.8	13.1				
Hired Workers	33,230	30,250	29,460	9.9	12.8				
UNEMPLOYMENT INSURANCE									
Claims Activities									
Initial Claims ⁽³⁾	12,056	8,982	8,954	34.2	34.6				
Weeks Claimed ⁽⁴⁾	93,363	80,142	59,847	16.5	56.0				
Benefit Payment Activities⁽⁵⁾									
Weeks Compensated	77,599	68,073	48,784	14.0	59.1				
Total Benefit \$ Paid	\$16,746,098	\$14,882,043	\$10,113,275	12.5	65.6				
Average Weekly Benefit Amount	\$215.80	\$218.62	\$207.31	-1.3	4.1				
Covered Employers	40,097	40,240	40,027	-0.4	0.2				
Total Benefit \$ Paid During Last 12 Months ⁽⁴⁾	\$203,232,909	\$196,600,086	\$128,118,074	3.4	58.6				
(1) Preliminary Estimate									
(2) Source: U.S. Bureau of Labor Statistics									
(3) Includes all entitlements/programs on Intrastate and Interstate Agent, New, and Additional Claims									
(4) Includes all entitlements/programs, Intrastate and Interstate Agent									
(5) Includes all entitlements/programs, Total Liable Activities									
HOURS AND EARNINGS									
	Average Weekly Earnings*			Average Weekly Hours			Average Hourly Earnings		
	July 2002	June 2002	July 2001	July 2002	June 2002	July 2001	July 2002	June 2002	July 2001
Mining	\$680.26	\$700.04	\$615.76	40.3	41.3	36.5	\$16.88	\$16.95	\$16.87
Construction	\$664.98	\$719.35	\$696.78	39.7	41.2	40.7	\$16.75	\$17.46	\$17.12
Total Manufacturing	\$615.89	\$609.11	\$563.98	37.6	38.6	37.8	\$16.38	\$15.78	\$14.92
Lumber & Wood Products	\$589.44	\$586.74	\$584.46	38.3	38.1	38.2	\$15.39	\$15.40	\$15.30
Food & Kindred Products	\$448.22	\$460.25	\$477.57	36.8	38.1	44.8	\$12.18	\$12.08	\$10.66
Communications	\$667.02	\$796.82	\$767.91	37.6	40.8	42.9	\$17.74	\$19.53	\$17.90
Electric, Gas, & Sanitary Services	\$692.53	\$714.02	\$842.89	36.7	36.9	38.7	\$18.87	\$19.35	\$21.78
Trade	\$326.57	\$328.86	\$344.30	29.5	29.6	31.5	\$11.07	\$11.11	\$10.93
Wholesale Trade	\$495.85	\$515.19	\$541.71	33.8	34.3	39.0	\$14.67	\$15.02	\$13.89
Retail Trade	\$281.59	\$278.47	\$293.04	28.3	28.3	29.6	\$9.95	\$9.84	\$9.90
DATA PREPARED IN COOPERATION WITH THE BUREAU OF LABOR STATISTICS									
* These average earnings are computed on a gross basis and reflect changes in premium pay for overtime and late shift work as well as changes in basic hourly and incentive wage									



PANHANDLE

BENEWAH, BONNER, BOUNDARY, KOOTENAI, & SHOSHONE COUNTIES

EMPLOYMENT TRENDS

As the U.S. economic recovery slowed this summer, many Panhandle businesses became reluctant to add jobs. Consequently, the total number of employed residents in July 2002 was virtually the same as in July 2001. Because the number of residents able and willing to work increased, the seasonally adjusted unemployment rate increased from 8.0 percent in July 2001 to 8.7 percent a year later. See Panhandle Table 1 for details.

Nonfarm Payroll Jobs did not increase between July 2001 and July 2002 because job losses in *Goods-Producing Industries* and *Transportation* offset job gains in other sectors. *Mining* and *Manufacturing* experienced job cuts for two years in a row. During the last year, low metal prices forced job losses at mines and mine service companies in the Silver Valley. In the prior year, between July 2000 and July 2001, *Mining* had lost 275 jobs. During the last year, manufacturers of wood, plastic, electronic, and metal products cut 400 jobs. In the prior year, they cut 130 jobs. *Construction* employment was lower this summer than last summer because commercial construction fell sharply and residential construction decreased slightly. *Transportation* employed 70 fewer people in July 2002 than a year earlier because fewer logs, manufactured goods, and mineral products were being shipped.

Although most retail industries declined slightly between July 2001 and July 2002, *Retail Trade* added 260 jobs. The January opening of the Wal-Mart in Post Falls created more jobs than other retail businesses lost. The relocation of the Oxyfresh multi-level marketing company from Spokane to Coeur d'Alene in January, which brought 50 jobs, also helped add retail jobs.

The opening of several new bank branches and new jobs at several real estate developments created 130 *Finance, Insurance, & Real Estate* jobs.

Panhandle Table 1: Labor Force & Employment

	July 2002*	June 2001	July 2001	% Change From	
				Last Month	Last Year
INDIVIDUALS BY PLACE OF RESIDENCE					
Seasonally Adjusted					
Civilian Labor Force	92,110	91,560	91,400	0.6	0.8
Unemployed	8,040	7,460	7,280	7.8	10.4
% of Labor Force Unemployed	8.7	8.1	8.0		
Total Employment	84,070	84,100	84,120	0.0	-0.1
Unadjusted					
Civilian Labor Force	93,440	92,740	92,840	0.8	0.6
Unemployed	6,300	6,220	5,660	1.3	11.3
% of Labor Force Unemployed	6.7	6.7	6.1		
Total Employment	87,140	86,520	87,180	0.7	0.0
JOBS BY PLACE OF WORK					
Nonfarm Payroll Jobs**	69,970	69,890	69,990	0.1	0.0
Goods-Producing Industries	13,920	13,620	14,900	2.2	-6.6
Mining	550	560	760	-1.8	-27.6
Construction	4,780	4,750	5,150	0.6	-7.2
Manufacturing	8,590	8,310	8,990	3.4	-4.4
Lumber & Wood Products	4,030	3,870	4,360	4.1	-7.6
All Other Manufacturing	4,560	4,440	4,630	2.7	-1.5
Service-Producing Industries	56,050	56,270	55,090	-0.4	1.7
Transportation	1,550	1,490	1,620	4.0	-4.3
Communication & Utilities	1,090	1,100	1,080	-0.9	0.9
Wholesale Trade	2,140	2,180	2,140	-1.8	0.0
Retail Trade	15,700	15,550	15,440	1.0	1.7
Finance, Insurance & Real Estate	2,820	2,780	2,690	1.4	4.8
Service & Miscellaneous	18,920	18,450	18,710	2.5	1.1
Government Administration	9,560	9,470	9,280	1.0	3.0
Government Education	4,270	5,250	4,130	-18.7	3.4

* Preliminary estimate

**Full- or part-time jobs of people who worked for or received wages in the pay period including the 12th of the month

Services, the sector that added 1,040 jobs per year between 1996 and 2001, added only 210 jobs between July 2001 and July 2002. If Center Partners call centers in Kootenai County hadn't added nearly 550 jobs, *Services* employment would have decreased. The decrease in business travel and conventions during the last year cut about 110 jobs at *Hotels & Other Lodging Places*, which employed an estimated 1,940 people this July. Other *Service* businesses that reduced jobs during the last year include temporary help agencies, nonprofit social services, amusement facilities, forestry services, and print shops.

AREA DEVELOPMENTS

Benewah County

- Del Loney, a resident of Burley, Idaho, recently purchased the strawboard plant at the Coeur d'Alene Tribe's industrial park in Plummer. The Pacific Northwest Fiber plant, which made strawboard from bluegrass residue, opened in 1999. It has been shut down since April. Loney plans to reopen the plant by October 1. Initially, he will employ

about 10 people to produce structurally engineered panels from bluegrass residue. The panels, which can be used for residential and commercial construction, are less expensive than stick framing, already provide insulation, and require less labor to install.

- The Food Express opened in the former St. Maries Sausage Company building on Main Avenue in St. Maries at the end of August. The fast food restaurant serves Mexican food, take-and-bake pizza, a salad bar, pies, and ice cream.

Bonner County

- WAM Enterprises, Inc. of Spokane soon will start construction on a \$1.7 million retail strip mall in front of the Wal-Mart in Ponderay. The company plans to complete construction before Thanksgiving. The first tenant for half of the 11,000-square-foot building will be a Movie House video store.
- Schweitzer Mountain Resort recently celebrated the completion of the seven story, \$15 million White Pine Lodge at Schweitzer Village near Sandpoint. White Pine Lodge includes 50 condominium units and six retail spaces occupied by Spuds restaurant, a Finan McDonald clothing store, Aspen Glow Deli and Ice Cream, a Windermere realty office, Snow Mountain Gifts, and Wine Sellers. Schweitzer employs about 30 more people because of White Pine's opening. Schweitzer employs more than 100 people year round and up to 500 people during ski season. The expansion of retail opportunities also played a role in increasing the number of people who visited Schweitzer this summer to ride its chairlift, walk or bike its trails, and enjoy its breathtaking view of Lake Pend Oreille.

Boundary County

- Boundary Regional Community Health Center has been awarded a \$900,000 grant to establish a health clinic in an office duplex next to the hospital in Bonners Ferry. When the clinic opens in three months, it will employ about 20 people providing medical, dental, and mental health care to uninsured and underinsured individuals. The health center will include a mobile service to serve the migrants working in the hops farms north of Bonners Ferry.

Kootenai County

- The Coeur d'Alene Airport in Hayden is making \$1 million in improvements including creation of 28 lots for the future construction of airplane hangars. The improvements are funded by a \$1.4 million grant from the Federal Aviation Administration that also will allow the airport to acquire 10 acres of land to the west of the airport for future growth.
- The city of Post Falls recently broke ground on a \$3 million construction project for its police department on the southwest corner of Mullan Road and Polston Avenue. The project, slated for completion

by May, involves construction of a 25,000-square-foot headquarters and a 5,000-square-foot vehicle maintenance building.

- Medinex Systems, which develops Internet-based products for health care providers, is moving its corporate headquarters from Coeur d'Alene to Florida. Founded in 1997 as Netivation, the company employed more than 100 people at the Riverbend Commerce in Post Falls before the dot-com crash in the fall of 2000. The company now employs a dozen people at 1200 Ironwood Drive in Coeur d'Alene where it moved last year. After the move to Florida, Medinex may keep a small sales staff in Coeur d'Alene.
- Prairie Children's Center opened at 660 Commercial Park Avenue in Rathdrum in August. The center, providing care for infants through 12-year-olds, employs a dozen people.
- Footprints Fine & Performing Arts recently made its debut at 1901 Fourth Street in Coeur d'Alene offering classes in music, dance, drama, juggling, magic, and other performing arts for children and adults. It also offers "Mommy & Me" classes for preschoolers. Soon the organization also will offer drawing, painting, and sculpting classes.
- Big Smoke, a store selling tobacco products, beer, and wine, recently opened in the Log Cabin Plaza at 214 Appleway in Coeur d'Alene.
- Treasures Unlimited, a craft and thrift store, opened at 205 East Seltice Way in Post Falls in May. Among the treasures to be found there are a wide variety of collectibles, hand-crafted dolls, and stuffed animals.

Shoshone County

- Shoshone County recently received a package of state and federal grants totaling \$3 million to provide water and sewer lines and other improvements for an 18-hole golf course, up to 1,000 housing units, and 140 acres for light industrial use around the former Superfund site in Kellogg. Eagle Crest Communities, which owns Silver Mountain Resort, plans to invest \$10.5 million building the golf course and developing housing units around the golf course and ski area. The county hopes to open the golf course in 2005 and employ 30 people. It also will help make Silver Mountain a year-round destination resort.
- Silver Mountain recently announced that it will keep its ski area and gondola open seven days a week this winter. In recent years, the ski area has closed on Mondays and Tuesdays.

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SEAPORT

NORTH CENTRAL IDAHO: CLEARWATER, IDAHO, LATAH, LEWIS, & NEZ PERCE COUNTIES

EMPLOYMENT TRENDS

The Seaport seasonally adjusted unemployment rate increased in July 2002 to 4.8 percent from June's rate of 4.1 percent as shown in Seaport Table 1. In July 2000, the rate was 4.2 percent. Even though total employment increased, the number of people unemployed increased at a faster rate. In spite of the month-over-month increase, year-over-year comparisons show a decrease in total employment.

In July, the Seaport's *Nonfarm Payroll Jobs* decreased by 230 jobs because of temporary layoffs in *Education*. These temporary layoffs were expected and followed seasonal trends because of summer vacation. The August and September numbers will show an increase as teachers return to classrooms. On the plus side, two industries, *Food and Kindred Products* and *Construction*, created new jobs in July. Employment in *Food and Kindred Products* increased for the pea harvest and *Construction* increased because of residential construction.

SPECIAL TOPIC

The Nez Perce Tribe

A University of Idaho study has found that the Nez Perce Indian tribe has become one of the largest employers in North Central Idaho because of the operation of two reservation casinos, which contribute millions of dollars to the local economy. The study reports the Nez Perce Tribe ranks second in employment impacts in Nez Perce County just behind the Potlatch Corporation. Research economist Steven Peterson at the university's Center of Business Development and Entrepreneurship conducted the study along with economics professor Michael DiNoto.

"The results clearly show that tribal operations are now major contributors to the local and state economies. The jobs and economic benefits that tribal operations provide are particularly important to rural areas in northern and southeastern Idaho where jobs and economic development are most needed," Peterson said. He also noted that before tribes had gaming, unemployment on reservations was over 70 percent. The

Seaport Table 1: Labor Force & Employment
Nez Perce County, Idaho and Asotin County, Washington

	July 2002*	June 2002	July 2001	% Change From	
				Last Month	Last Year
INDIVIDUALS BY PLACE OF RESIDENCE					
Seasonally Adjusted					
Civilian Labor Force	35,620	35,230	35,550	1.1	0.2
Unemployment	1,700	1,460	1,480	16.4	14.9
% of Labor Force Unemployed	4.8	4.1	4.2		
Total Employment	33,920	33,770	34,070	0.4	-0.4
Unadjusted					
Civilian Labor Force	35,460	35,200	35,420	0.7	0.1
Unemployment	1,530	1,400	1,340	9.3	14.2
% of Labor Force Unemployed	4.3	4.0	3.8		
Total Employment	33,930	33,800	34,080	0.4	-0.4
JOBS BY PLACE OF WORK					
Nonfarm Payroll Jobs**					
Goods-Producing Industries	5,550	5,230	5,530	6.1	0.4
Mining & Construction	1,520	1,400	1,570	8.6	-3.2
Manufacturing	4,030	3,830	3,960	5.2	1.8
Food Processing	250	90	250	177.8	0.0
Lumber & Wood Products	730	720	750	1.4	-2.7
Paper Products	1,680	1,670	1,700	0.6	-1.2
All Other Manufacturing	1,370	1,350	1,260	1.5	8.7
Service-Producing Industries	20,530	21,080	20,520	-2.6	0.0
Transportation	1,350	1,380	1,370	-2.2	-1.5
Communications & Utilities	270	260	290	3.8	-6.9
Wholesale Trade	940	970	980	-3.1	-4.1
Retail Trade	4,870	4,920	4,970	-1.0	-2.0
Finance, Insurance, & Real Estate	1,730	1,740	1,410	-0.6	22.7
Services	6,740	6,820	6,680	-1.2	0.9
Government Administration	2,790	2,810	2,810	-0.7	-0.7
Government Education	1,840	2,180	2,010	-15.6	-8.5

*Preliminary Estimate

**Full- or part-time jobs of people who worked for or received wages in the pay period including the 12th of the month

jobs supported directly and indirectly by tribal gaming have moved hundreds of tribal members off of public assistance programs and reduced unemployment. The study estimated that the resulting reduction in federal, state, and local welfare and social service payments saves taxpayers an estimated \$6 million a year. The study also found that Idaho's education system benefits from Indian gambling and that those benefits could soon be expanded. Since the mid-1990s, Idaho tribes have voluntarily donated millions of dollars to local schools, universities, and other education programs.

AREA DEVELOPMENTS

Clearwater County

- A new King's Discount Department Store opened in Orofino. The store sells a variety of items—crafts, sewing supplies, bedding, towels, rugs, baby furniture and supplies, clothing, shoes, school supplies, electronics, health and beauty supplies, canning supplies, and novelty items. King's operates 35 discount department stores in

Idaho, Nevada, Oregon, Montana, and Utah. The new Orofino store employs 15 workers in full- and part-time jobs.

- U.S. Senator Mike Crapo has secured pledges from top federal officials to find ways to mitigate economic woes caused by Dworshak Reservoir drawdowns. Each summer the 55-mile-long reservoir on the North Fork of the Clearwater River is lowered 80 feet as water is flushed downstream to cool the Snake River and help flush young fall Chinook salmon to the ocean. The Endangered Species Act is driving the annual drawdowns, but the act doesn't contain a provision to compensate communities when federal actions disrupt local economies. Bob Lohn, regional administrator for the National Marine Fisheries Service in Seattle, said the Bush administration wants to protect species while also protecting communities. An ideal solution that will leave the reservoir full during the summer is not likely, Lohn speculated. But he added that a potential silver lining to the drawdowns and other efforts may be positive economic effects of the robust hatchery salmon and steelhead runs of the past few years that have attracted thousands of anglers. The Bonneville Power Administration distributes \$500 million a year for fish and wildlife recovery and a large amount of that money ends up with different entities in the Clearwater River basin area. This year the basin received \$14 million in projects including \$5.2 million for the Nez Perce Tribal hatchery at Cherrylane.

Idaho and Lewis Counties

- CompuNet, Inc., a Grangeville based company, has provided reliable wireless Internet access to a limited number of customers for over a year in the Grangeville area. Since July 1, CompuNet, Inc. has accepted new customers. Currently, wireless service connection provides Internet access to more than 23 business and residential customers with 175 PCs online. The company designed their wireless network to be fast and reliable by using high quality vendors like AT&T and Cisco. "The high speed Internet access has allowed our company to work for companies like the Arizona Cardinals without leaving our desk," said Nolan Schoo of CompuNet, Inc.
- Steelhead anglers should have another good season after September 1. According to early predictions, 171,000 steelhead could be on their way to Lower Granite Dam, the last barrier to entering Idaho fishing waters. If that figure holds up, it will be slightly more than twice the 10-year average. About 85,000 steelhead at Lower Granite Dam is the average seasonal run. Last year's steelhead run overwhelmed

Idaho hatcheries and provided some of the best steelhead fishing anglers could remember.

- Area native and recent returnee Bill Shira and his crew (Apple River Productions) have been busy filming the movie, "Where Rivers Meet." Director Shira, who grew up in Clearwater and Grangeville, has been behind the camera almost 20 years working on a variety of projects. Up to 100 people from Idaho County and the surrounding area have been used as extras in the film. The Clearwater store and a Stites church owned by the Nez Perce Tribe located alongside the river in Kamiah have been filming sites.

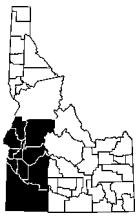
Latah County

- Enrollment at the University of Idaho is expected to increase by 2.9 percent this year, an additional 269 students. That increase, coupled with faculty and staff members lost to early retirement incentives and better paying jobs elsewhere, is making it difficult for students to register for some classes. For example, five fewer sections of English 101, required of almost all freshmen, are being offered this fall, according to Dave Barber, chair of UI's English Department. To make up the difference, officials raised enrollment in each class. The English Department lost seven faculty members this year and, because of the budget cutbacks, was only able to hire one instructor to replace the instructors who left.

Nez Perce And Asotin (Wa.) Counties

- Enrollment at Lewis-Clark State College (LCSC) is up 0.59 percent, but officials say students will not see that many scheduling problems. "We will continue to add classes as our classes fill," said President Dene Thomas. "We will make room for students in our basic core classes, for the most part." Thomas said part of the reason LCSC has been able to escape scheduling problems this year is because of the way the school made cuts after the state holdbacks. "We made strategic, targeted cuts," Thomas said. "What we have is a number of specific classes that are simply not available as opposed to across-the-board cuts. We didn't do those types of cuts so that we would be able to handle increases as they come."

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TREASURE VALLEY

ADA, ADAMS, BOISE, CANYON, ELMORE, GEM, OWYHEE, PAYETTE, VALLEY, & WASHINGTON COUNTIES

EMPLOYMENT TRENDS

The July 2002 seasonally adjusted unemployment rate for the Boise City Metropolitan Statistical Area (MSA), which includes Ada and Canyon Counties, was 4.9 percent as shown in Treasure Valley Table 1. This rate is up two-tenths of a percentage point from the June 2002 rate of 4.7 percent and up five-tenths of a percentage point from the July 2001 rate of 4.2 percent. The number of individuals employed increased from June to July 2002 by 100 individuals, and an increase of 500 occurred in the number of unemployed individuals, from 11,900 in June to 12,400 in July. The increase in the number employed and the increase in the number unemployed created a net increase in the *Civilian Labor Force* of 600 individuals from June to July 2002; year-over-year, there was a net increase of 2,000 individuals in the *Civilian Labor Force*. Treasure Valley Table 2 shows the July 2002 seasonally adjusted labor force figures for all counties in Southwest Idaho.

**Treasure Valley Table 2: July 2002
Seasonally Adjusted Labor Force Figures for
Southwest Idaho Counties**

	Civilian Labor Force	Number Unem- ployed	Percent Unem- ployed	Number Employed
Ada	182,728	7,928	4.3	174,800
Adams	1,703	221	13.0	1,482
Boise	2,669	173	6.5	2,497
Canyon	70,255	4,444	6.3	65,811
Elmore	10,029	893	8.9	9,136
Gem	6,166	514	8.3	5,652
Owyhee	4,852	263	5.4	4,590
Payette	9,627	581	6.0	9,046
Valley	4,111	364	8.9	3,747
Washington	4,418	348	7.9	4,070
Statewide	690,334	37,447	5.4	652,887

About 1,600 *Nonfarm Payroll Jobs* were lost in the Boise City MSA between June and July 2002 while there was an increase of 500 *Nonfarm Payroll Jobs* since July 2001. In *Goods-Producing Industries*, there was a loss of 300 jobs month-over-month with job losses occurring in *Construction & Mining* (100), *Wood Buildings*

**Treasure Valley Table 1: Boise MSA Labor Force & Employment
Ada and Canyon Counties**

	July 2002*	June 2002	July 2001	% Change Last Month	% Change Last Year
INDIVIDUALS BY PLACE OF RESIDENCE					
Seasonally Adjusted					
Civilian Labor Force	253,000	252,400	251,000	0.2	0.8
Unemployment	12,400	11,900	10,500	4.2	18.1
% of Labor Force Unemployed	4.9	4.7	4.2		
Total Employment	240,600	240,500	240,500	0.0	0.0
Unadjusted					
Civilian Labor Force	256,200	254,700	254,300	0.6	0.7
Unemployment	12,100	11,500	10,200	5.2	18.6
% of Labor Force Unemployed	4.7	4.5	4.0		
Total Employment	244,100	243,200	244,100	0.4	0.0
JOBS BY PLACE OF WORK					
Nonfarm Payroll Jobs**	231,200	232,800	230,700	-0.7	0.2
GOODS-PRODUCING INDUSTRIES	50,800	51,100	54,000	-0.6	-5.9
Construction & Mining	16,200	16,300	17,100	-0.6	-5.3
Manufacturing	34,600	34,800	36,900	-0.6	-6.2
Durable Goods	26,300	26,300	28,500	0.0	-7.7
Lumber & Wood Products	3,100	3,200	3,200	-3.1	-3.1
Wood Buildings & Mobile Homes	800	900	900	-11.1	-11.1
Other Lumber & Wood Products	2,300	2,300	2,300	0.0	0.0
Fabricated Metal Products	1,200	1,200	1,200	0.0	0.0
Ind. & Com. Mach. & Computer Equip.	7,300	7,300	7,800	0.0	-6.4
Electronic & Other Elect. Equip. & Comp.	11,300	11,200	12,500	0.9	-9.6
Transportation Equipment	1,800	1,800	1,800	0.0	0.0
Other Durable Goods	1,600	1,600	2,000	0.0	-20.0
Nondurable Goods	8,300	8,500	8,400	-2.4	-1.2
Food & Kindred Products	5,600	5,700	5,600	-1.8	0.0
Canned Cured & Frozen Foods	1,600	1,800	1,600	-11.1	0.0
Printing, Pub & Allied Products	1,900	1,900	1,900	0.0	0.0
Other Nondurable Goods	800	900	900	-11.1	-11.1
SERVICE-PRODUCING INDUSTRIES	180,400	181,700	176,700	-0.7	2.1
Trans., Comm., & Public Utilities	12,400	12,400	12,200	0.0	1.6
Transportation	6,900	6,900	6,900	0.0	0.0
Comm. & Elec. Gas & Sanitary Svcs.	5,500	5,500	5,300	0.0	3.8
Trade	56,900	57,000	56,700	-0.2	0.4
Wholesale Trade	13,000	13,200	12,800	-1.5	1.6
Durable Goods	8,000	8,100	7,900	-1.2	1.3
Nondurable Goods	5,000	5,100	4,900	-2.0	2.0
Retail Trade	43,900	43,800	43,900	0.2	0.0
General Merchandise Stores	5,700	5,700	5,500	0.0	3.6
Foods Stores	7,500	7,300	7,700	2.7	-2.6
Eating & Drinking Places	15,700	15,700	15,600	0.0	0.6
Other Retail Trade	15,000	15,100	15,100	-0.7	-0.7
Finance, Insurance, & Real Estate Services	11,800	11,900	11,600	-0.8	1.7
Business Services	64,600	64,500	62,300	0.2	3.7
Health Services	13,700	13,900	14,300	-1.4	-4.2
Hospitals	19,100	19,200	18,100	-0.5	5.5
Eng. Acct., Res, Mgmt., & Related	9,100	9,200	8,300	-1.1	9.6
Other Services	5,700	5,700	5,200	0.0	9.6
Government	26,100	25,700	24,700	1.6	5.7
Federal Government	34,700	35,900	33,900	-3.3	2.4
State Government	5,500	5,400	5,300	1.9	3.8
Education	12,600	12,600	12,700	0.0	-0.8
Administration	3,600	3,600	3,500	0.0	2.9
Local Government	9,000	9,000	9,200	0.0	-2.2
Education	16,600	17,900	15,900	-7.3	4.4
Administration	10,300	11,600	9,800	-11.2	5.1
Administration	6,300	6,300	6,100	0.0	3.3

* Preliminary Estimate

**Full- or part-time jobs of people who worked for or received wages in the pay period including the 12th of the month

& Mobile Home Manufacturing (100), *Other Durable Goods Manufacturing* (100), *Food & Kindred Products Manufacturing* (100) primarily *Canned Cured & Frozen Foods* (200), and *Other Nondurable Goods Manufacturing* (100). Job gains occurred in *Industrial & Commercial Machinery & Computer Equipment Manufacturing* (100) and *Transportation Equipment Manufacturing* (100). The year-over-year data is quite different as *Goods-Producing Industries* lost 3,200 jobs with no job gains. Job losses occurred in: *Mining & Construction* (900), *Wood Buildings & Mobile Home Manufacturing* (100), *Industrial & Commercial Machinery & Computer Equipment Manufacturing* (500), *Electronic & Other Electrical Equipments & Component Manufacturing* (1,200), *Other Durable Goods Manufacturing* (400), and *Other Nondurable Goods Manufacturing* (100). There were no *Goods-Producing Industries* creating new jobs over the year. The large decrease in the number of jobs in *Industrial & Commercial Machinery & Computer Equipment Manufacturing* and *Electronic & Other Electrical Equipment and Components Manufacturing* is consistent with the number of layoffs that have occurred in those industries since January 2001.

Service-Producing Industries lost 1,300 jobs between June and July 2002. Job losses in *Durable Goods Wholesale Trade* (100), *Nondurable Goods Wholesale Trade* (100), *Other Retail Trade* (100), *Finance, Insurance and Real Estate* (100), *Business Services* (100), *Health Services* primarily *Hospitals* (100), and *Local Government Education* (1,300) outpaced job increases in *Food Stores* (200), *Other Services* (400), and *Federal Government* (100) to create the net decrease in the number of *Service-Producing Industries* jobs lost over the month. Most of the job losses occurred in *Local Government Education*, which is expected during this month as local school districts close for the summer. In the year-over-year comparison, there was an increase of 3,700 jobs in *Service-Producing Industries*, with job gains in *Communication & Electricity, Gas & Sanitary Services* (200), *Durable Goods Wholesale Trade* (100), *Nondurable Goods Wholesale Trade* (100), *General Merchandise Stores* (200), *Eating & Drinking Places* (100), *Finance, Insurance & Real Estate* (200), *Health Services* (1,000) primarily *Hospitals* (800), *Engineering, Accounting, Research, Management, & Related* (500), *Other Services* (1,400), *Federal Government* (200), *State Government Education* (100), *Local Government Education* (500), and *Local Government Administration* (200) outpacing job losses in *Food Stores* (200), *Other Retail Trade* (100), *Business Services* (600), and *State Government Administration* (200).

SPECIAL TOPIC

U.S. Economy

In early August, *USA Today* reported that the U.S. economy looked sluggish. The revised seasonally adjusted data showed that the economy shrank for three straight quarters in 2001, which was not expected. Gross Domestic Product (GDP) rose only a fraction of what

analysts predicted for the second quarter. Analysts were disappointed, but hopeful about the release by the U.S. Department of Commerce, as it stated that while the recovery is slow, it is on track, and the United States will not slip back into a recession. Market analysts continue to be optimistic about the nation's economic growth as business investment in software and equipment grew for the first time since the third quarter of 2000. Firms are still liquidating inventories, but at the slowest pace in a year and a half, and exports grew at the fastest pace in two years. All of this news suggests that the U.S. economy is undergoing some healthy development while foreign economies and their demand for U.S. products is improving.

AREA DEVELOPMENTS

Boise City MSA

- Horizon Air announced in mid-August that it would offer winter season daily nonstop jet service from Boise to Phoenix from October 27 through April 27.
- Wal-Mart opened another supercenter in Garden City in mid-August. The Wal-Mart is located on a large lot at the corner of Glenwood and State. The supercenter carries a full line of groceries and general merchandise and is open 24 hours. Home Federal Savings also opened an in-store branch at the new Wal-Mart.
- The Boise Factory Outlets has added OshKosh B'Gosh, Springmaid-Wamsutta, and Hanes Bali Playtex to its list of retailers. OshKosh B'Gosh is a global marketer of clothing and accessories and is already open. Springmaid-Wamsutta, a retailer that carries sheets, towels, and comforters, is scheduled to open in the space adjacent to Toy Liquidators by September 30. Hanes Bali Playtex is an undergarment retailer that will open a store next to Payless Shoe Source by October 10.
- Northwest Nazarene University (NNU) recently opened two business programs geared toward adult professionals in Boise—the MBA program is a 15-month business master's program and the STEP program is an accelerated undergraduate business degree. Both programs begin this fall. The classes are held in the basement of the C.W. Moore Plaza in downtown Boise.
- Hyde Park Place, a proposed single two-and-a-half-story building to house 44 condominiums, could be built on the south side of Fort Street between 12th and 13th Streets in Boise. The building would include 65,000-square feet of space. Construction on the complex is expected to begin in March and be completed late next year once all city approvals are granted.

- Saint Alphonsus Regional Medical Center will break ground on its \$11 million outpatient care center in West Meridian in late September. The Saint Alphonsus Meridian Health Plaza is scheduled to open in April and will include two operating rooms for outpatient surgery, an urgent care clinic, offices for family and internal medicine doctors, and radiology services including Xrays, mammograms, and ultrasounds.
- The Boys and Girls Clubs of Ada County were given the keys to the former Meridian police station to begin renovations for their new club. The club will be able to serve more than 400 youth and will include a technology center, art room, and game room. Renovations could be completed and the Boys and Girls Club of Meridian could open by December 15, 2002.
- Michaels of Oregon, a hunting and shooting accessory company, will consolidate the operations of three of its manufacturing plants into one building in Meridian. The new 100,000-square-foot plant will take over the manufacturing of a number of the company's products currently made at plants in Coatsville, Pa; Belgrade, Mont; and Boise. The new plant is expected to be operational by mid-October. Potentially, 100 new jobs could be created if employees from the Montana and Pennsylvania plants do not transfer to the Meridian facility.
- Intermountain Outdoor Sports announced its closure in early August. The retailer held a liquidation sale in mid-August in which all merchandise, including guns, hunting, fishing, camping equipment, and clothing were sold to the public. This closure marks the last of three Intermountain Outdoor Sports closures in the past few years.
- The Meridian Planning & Zoning Commission voted unanimously to recommend that the Meridian City Council approve the request for annexation and zoning of a new middle school site. The site is located at the corner of North Linder Road and West Ustick Road. The request now goes to the city council for consideration.
- The Meridian Chamber of Commerce moved into a remodeled office in late July. The chamber office is located in Storey Park. The expansion provides meeting space for the chamber's board as well as a private office and an expanded visitor's center.
- The Eagle City Hall plans were reviewed, changed by the architect, and approved by Ada County Commissioners in early August. Construction of the new 22,000-square-foot facility is scheduled to begin in October and will be completed in May. The \$4.3 million project will be built on a lot between the post office and the library on Amanita Street.
- Crucial Technology, a division of Micron, recently added the 128 MB MultiMediaCard to its flash card line. The card may be used in a variety of electronic devices including digital cameras, handheld computers, and digital music players.
- Extended Systems recently laid off 12 people at its Boise site. In an effort to rebalance its workforce, hiring in other areas will offset the layoffs, according to company officials. The layoffs occurred in Research and Development and Administration departments.
- MicronPC announced that employees would receive bonuses in mid-August. The company's 1,000 employees shared in more than \$350,000 in profit-sharing bonuses. In August, the company also released its fourth server line, the NetFRAME 6500. This server offers up to four times as much memory as previous servers. The targeted customers of NetFRAME 6500 are medium-sized businesses and government entities.
- Construction is scheduled to begin on the Hispanic Cultural Center of Idaho in mid-September. The \$3.6 million building will include a museum, lecture hall, conference room, gift shop, classrooms, computer lab, a teaching kitchen, and a bilingual library. The Hispanic Cultural Center of Idaho will host cultural events and offer extensive job training and economic development programs.
- Construction started on the Technology and Entrepreneurial Center (TECenter) located at Boise State University's (BSU) Canyon County Campus. The \$3.4 million facility is the first building on the BSU West Campus. The 38,000-square-foot center is based on a plan developed by BSU, Idaho Small Business Development Center, and the U.S. Department of Commerce to help local entrepreneurs develop products and businesses by working with the BSU resources. The TECenter is expected to open in early 2003.
- Wells Fargo Bank recently announced plans to open a branch across from the Edwards Cinema complex in Nampa. The 5,200-square-foot branch is scheduled to open this winter.
- Other recent business openings in Ada County include: American Family Insurance in Boise, Kahootz Pub & Eatery in Meridian, PetCo in Boise, a second Shooting World outdoor range in Boise, a new Zions Bank branch on Fairview Avenue in Boise, Sliders Indoor Kart Racing on North Orchard in Boise, Boise Self Storage on West Vincent Street in Boise, and Behind the Chair Hair and Nail Salon on Avenue D in Kuna. A Johnny Carino's restaurant is planned for the Meridian Crossroads center that will open in March, the Mountain View Credit Union

moved to new offices on Dresden Place in Garden City, and Pioneer Title and Two Rivers Salon & Spa announced plans to move to the Rivershore South Building in Eagle.

- Recent business happenings in Canyon County include the openings of Rock, Paper, Scissors, a scrap-booking store in Nampa, and the Tucker Bean Co., an antique and collectibles shop in Nampa.

Adams County

- Dr. Monte Eppich recently opened dental practices in Cambridge (Adams County) and Council (Washington County). The Cambridge office is open on Wednesdays and Thursdays; the Council office provides services on Mondays and Tuesdays.

Elmore County

- The Elmore County Fair and Rodeo was held in late July and event organizers estimate that 9,500 people attended the fair this year. This was down from last year's attendance of 10,000, but was still considered a success. In addition to the rodeo, there were band performances, a hypnotist, and various 4-H competitions.

Gem County

- The Gem County Jail recently held a groundbreaking celebration. All of the preliminary work to clear the lot for the actual construction has been completed and the project has started. Also, Gem County Commissioners signed the jail bond ordinance in mid-August, allowing construction to begin.

Payette County

- The Payette City Council approved a plan to remodel the pilot's lounge in the city hangar at the Payette Airport. Construction started and the project is scheduled to be completed by November.
- The second phase of a four-phase renovation project at Holy Rosary Medical Center was started in August. A 65,000-square-foot addition is being constructed that will house outpatient and emergency services as well as surgical facilities. This phase of the renovation project will cost nearly \$20 million and will provide greater efficiency and increase recovery times for patients. No completion date was set.

Valley County

- Construction began on WestRock in Valley County in mid-August. Road and infrastructure development has started on the area under the direction of Washington Group International (WGI).

- The City of Cascade may annex the former Boise Cascade sawmill property into the city. The property could net nearly \$3,500 in taxes, as well as be covered by city planning codes in case of any future development of the property. Boise Cascade Corporation officials will remove all debris from the property before the company will decide what to do with the property.
- Aspen Ridge, a 130-acre development containing 145 home sites and 120 townhouses, is proposed near the McCall Golf Course, east of Spring Mountain Ranch. A public hearing was held in early August and the McCall Planning and Zoning Commission heard several reports about the project. The commission has not determined whether or not to allow the Aspen Ridge development to start.
- Dr. Jennifer Gray recently joined the staff at the Payette Lakes Medical Clinic in McCall. Dr. Gray will also spend one day a week seeing patients in Council at the new Council Mountain Medical Clinic, which is scheduled to open in September.

Washington County

- Dr. Shane Newton is setting up a dental practice in Weiser. His office is located in the East Liberty Street Clinic.
- The Washington County Fair and Rodeo was held in early August in Cambridge and was a big success, according to event organizers.
- Weiser Memorial Hospital has announced plans to start work on a master facility plan to update its 52-year-old building. Recently, the hospital expanded services and worked on improving staff morale. The first goal of the new plan is to eventually renovate the hospital building to create more space and update the facility in an effort to offer modern medical services. The master facility plan is 40 percent complete.

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MAGIC VALLEY

BLAINE, CAMAS, CASSIA, GOODING, JEROME, LINCOLN, MINIDOKA, & TWIN FALLS COUNTIES

EMPLOYMENT TRENDS

The Magic Valley Labor Market Area's seasonally adjusted unemployment rate for July 2002 was 3.7 percent. This is unchanged from June 2002, but three tenths of a percentage point lower than July 2001. *Civilian Labor Force* was somewhat lower than a year ago (390), but the number of unemployed workers was significantly lower also, accounting for the very low unemployment rate.

Nonfarm Payroll Jobs is showing very flat growth for the second straight month and this is indicative of a cooling in the local economy after an extremely strong first quarter. Effects of state budget cutbacks are evident in the areas of *Government-Education* and *Government-Administration* that have a reduction of 2.3 percent and 3.6 percent, respectively, from July 2001. For the first time this year the *Services* sector showed a decrease rather than a gain. The sector experiencing the largest growth was *Manufacturing-Durable Goods* with a 12.9 percent increase year-over-year.

The Magic Valley economy is still very healthy. The unemployment rate is one of the lowest in the state and many different types of jobs are plentiful. Dell Computers continues to hire and WOW Logistics in Jerome will soon be hiring. As students return to school, there are many openings in fast food businesses and other sectors typically staffed by students. Job growth has flattened, but it seems to be merely a pause after tremendous first quarter growth rather than an indication of economic malaise. There is still a lot of uncertainty about the national economy and Wall Street continues to struggle with a very volatile market. The outlook for the Magic Valley economy is more of the same, with an expectation that unemployment will remain low and job growth will stay flat through the third quarter of 2002.

SPECIAL TOPIC

Governor Announced Grant for Simplot Workers

At an economic outlook dinner in Burley on August 16, Idaho Governor

Magic Valley Table 1: Labor Force & Employment
Twin Falls, Jerome, and Gooding Counties

	July 2002*	June 2002	July 2001	% Change From	
				Last Month	Last Year
INDIVIDUALS BY PLACE OF RESIDENCE					
Seasonally Adjusted					
Civilian Labor Force	49,410	49,800	49,650	-0.8	-0.5
Unemployment	1,850	1,850	2,010	0.0	-8.0
% of Labor Force Unemployed	3.7	3.7	4.0		
Total Employment	47,560	47,950	47,640	-0.8	-0.2
Unadjusted					
Civilian Labor Force	50,720	50,630	50,940	0.2	-0.4
Unemployment	1,770	1,730	1,900	2.3	-6.8
% of Labor Force Unemployed	3.5	3.4	3.7		
Total Employment	48,950	48,900	49,040	0.1	-0.2
JOBS BY PLACE OF WORK					
Nonfarm Payroll Jobs**	39,180	39,340	39,260	-0.4	-0.2
Goods-Producing Industries	7,430	7,140	7,340	4.1	1.2
Mining & Construction	2,120	2,080	2,090	1.9	1.4
Manufacturing	5,310	5,060	5,250	4.9	1.1
Durable Goods	960	900	850	6.7	12.9
Nondurable Goods	4,350	4,160	4,400	4.6	-1.1
Food Processing	3,340	3,140	3,390	6.4	-1.5
All Other Nondurable Goods	1,010	1,020	1,010	-1.0	0.0
Service-Producing Industries	31,750	32,200	31,920	-1.4	-0.5
Transportation, Comm., & Utilities	2,560	2,610	2,570	-1.9	-0.4
Wholesale Trade	2,430	2,380	2,290	2.1	6.1
Retail Trade	8,170	8,140	8,240	0.4	-0.8
Finance, Insurance, & Real Estate	1,340	1,310	1,360	2.3	-1.5
Services	10,450	10,350	10,460	1.0	-0.1
Government Administration	3,830	3,930	3,920	-2.5	-2.3
Government Education	2,970	3,480	3,080	-14.7	-3.6

*Preliminary Estimate

**Full- or part-time jobs of people who worked for or received wages in the pay period including the 12th of the month

Dirk Kempthorne announced that in response to the state's request, the U. S. Department of Labor has awarded Idaho a \$4.9 million grant to help workers displaced by the recently announced closure of the Simplot Company's Heyburn plant. The Workforce Investment Act National Emergency Grant is the largest ever awarded in Idaho. This announcement was the culmination of months of work by the Rapid Response team that consisted of representatives from the Idaho Department of Labor, South Central Idaho Works Board, Region IV Development Association, and the College of South Idaho.

The Workforce Investment Act grant includes provisions to offer retraining and reemployment services to the Heyburn plant's employees, as well as to other workers in the community who are affected by the plant's closure. Types of assistance include tuition, day care, and tool and equipment purchases. The Governor also announced that Trade Act petitions for the Heyburn plant have been certified by the U.S. Department of Labor. This will allow the Idaho Department of Labor to provide a full array of

employment and training services to workers affected by the Heyburn closure. Under the Trade Act programs, unemployment insurance payments can be extended for up to an additional 26 weeks. For those in retraining programs, payments can be extended an additional 52 weeks. The Mini-Cassia Job Service has begun job skills and job hunting workshops at the Heyburn plant. Workers from all three shifts signed up for the initial workshops. The College of Southern Idaho soon will be providing GED and English as Second Language courses at the Heyburn plant.

AREA DEVELOPMENTS

Twin Falls County

- Snake River Pool & Spa recently celebrated the grand opening of its new 4,500-square-foot show room and customer service center located near its old location on Blue Lakes Boulevard North. For 20 years, Snake River Pool & Spa operated from a converted house with 1,200-square feet upstairs and 1,000-square feet downstairs. Also, Papa John's Pizza moved into an extra 1,500-square-foot area of the new Snake River Pool & Spa building and recently began operations.

Blaine, Camas, Jerome, Gooding, and Lincoln Counties

- Davisco Foods International, Inc., doing business as Jerome Cheese Co., has filed for judicial review and declaratory relief against Gooding County in Fifth District Court. Jerome Cheese contends the county is in violation of state and federal due process. In its complaint, Jerome Cheese said that the Gooding County Commission overturned a decision by the Gooding County Planning and Zoning Commission giving it a special use permit for a reclaimed water project. The project would have allowed Jerome Cheese to pump effluent water to Gooding County for processing. The company indicates that it uses over one million gallons of water per day and that the Gooding County Commissioners have caused actual harm to the company's business by its actions.
- Bechtel BWXT Idaho, LLC awarded a \$10,000 grant to the Jerome Chamber of Commerce for economic development. The grant reflects Bechtel BWXT's continuing commitment to, and recognition of, economic development in the Jerome area. The recent recruitment and expansion of businesses in the area prompted the continued support of local efforts. The \$10,000 grant will be used by the Chamber to fund one third of the Jerome economic development specialist Bob Richards' part-time contract.
- Southern Idaho Regional Communications Center (SIRCOMM) recently announced that Ron Vogt is the new director for the 911 center. Mr. Vogt had previously been the commander for the Ada County emergency dispatch center for 12 years, but left on

June 7 of this year. He began his new job immediately.

- The cities of Jerome and Hagerman were recently awarded \$420,000 in economic development grants. These grants were part of \$1.6 million in grants statewide recently announced by Governor Dirk Kempthorne. The city of Jerome received \$199,000 in federal funds to build sewer and water loops to serve WOW Logistic's new distribution warehouse. WOW's \$6.4 million facility will employ at least 20 people and new industrial sites will be developed allowing the city to meet its economic development objectives. The city of Hagerman received \$220,000 to help improve the downtown area and expand a local grocery store, creating 15 new jobs. The city will demolish hazardous buildings and will build a public parking lot that will accommodate RV parking.

Cassia and Minidoka Counties

- The Cassia County School District accepted an offer from the College of Southern Idaho for a paid instructor to teach electronics at the Cassia Regional Technical Center in Burley. The Cassia Regional Technical Center had eliminated its electronics program last spring affecting about 20 students. The revival of the high school level electronics program will allow students the option of continuing their electronics training at the College of Southern Idaho (CSI). CSI will pay for the instructor and the Cassia School District will provide a location for the classroom and materials. The cost to the school district is expected to be about \$2,000.
- Governor Dirk Kempthorne spoke at a gathering of nearly 200 government and business leaders and announced a \$4.9 million grant. The Governor was joined by Idaho Department of Labor Director Roger Madsen and Idaho Department of Commerce Director Gary Mahn. All three participated in a question and answer session after the Governor's remarks. The Governor and legislative leaders toured the Mini-Cassia Job Service, then spoke to workers at the Simplot plant. Also speaking were three previously displaced workers that had successfully transitioned into new jobs with the assistance of the Workforce Investment Act. These speakers helped workers understand that there are options for retraining. Idaho legislators on hand at the event included Idaho House Speaker Bruce Newcombe (R-Burley), Senator Dean Cameron (R-Rupert), Representative Maxine Bell (R-Jerome), and Representative Bert Stevensen (R-Rupert).

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SOUTHEAST IDAHO

BANNOCK, BEAR LAKE, BINGHAM, CARIBOU, FRANKLIN, ONEIDA, & POWER COUNTIES

EMPLOYMENT TRENDS

The Pocatello Metropolitan Statistical Area's (Bannock County) unemployment rate edged up two-tenths of a percentage point in July 2002 to 5.9 percent over the June 2002 revised rate of 5.7 percent, as shown in Southeast Idaho Table 1. The number of individuals in the *Civilian Labor Force* declined by 540 and the number of individuals employed declined by 570, driving the unemployment rate increase. The closure of schools throughout the area contributed to decreases in *Civilian Labor Force* and employment. Since July 2001, the area's unemployment rate climbed eight-tenths of a percentage point, from 5.1 percent to 5.9 percent. The increased unemployment rate resulted from the loss of manufacturing and retail jobs because of the national recession.

Nonfarm Payroll Jobs dropped from 32,660 in June 2002 to 31,740 in July 2002. The loss of 920 jobs was primarily in *Government Education* (740) because schools closed for summer break and in *Services* (100) because of reductions in *Business* and *Social Services*, which were also influenced by school closures. Reductions in *Retail Trade* (70) and *Manufacturing* (30) were normal seasonal changes that usually occur in July. *Nonfarm Payroll Jobs* decreased from 31,930 in July 2001 to 31,740 in July 2002. The decrease of 760 jobs was primarily because the national recession, local job losses, and a decline in tourism created job reductions in *Wholesale* and *Retail Trade* (280).

SPECIAL TOPIC

Job Service Job Openings

The Idaho Department of Labor, through its local Job Service offices, is a business consulting organization with a dual mission: *to assist business in solving employment and training related challenges and to help people with career transitions*. Part of this mission is the labor exchange – matching employer's needs for workers with skilled job seekers. Job Service tracks the number of job openings and categorizes them by occupational classifications. This is the last year the current classification system will be used. Beginning July 1, 2002 the current classification system, which uses the Dictionary of Occupational

Southeast Idaho Table 1: Labor Force & Employment
Pocatello City MSA (Bannock County)

	July 2002*	June 2002	July 2001	% Change From	
				Last Month	Last Year
INDIVIDUALS BY PLACE OF RESIDENCE					
Seasonally Adjusted					
Civilian Labor Force	40,910	41,450	41,210	-1.3	-0.7
Unemployment	2,410	2,380	2,110	1.3	14.2
% of Labor Force Unemployed	5.9	5.7	5.1		
Total Employment	38,500	39,070	39,100	-1.5	-1.5
Unadjusted					
Civilian Labor Force	39,570	40,580	39,870	-2.5	-0.8
Unemployment	2,230	2,270	1,950	-1.8	14.4
% of Labor Force Unemployed	5.6	5.6	4.9		
Total Employment	37,340	38,310	37,920	-2.5	-1.5
JOBS BY PLACE OF WORK					
Nonfarm Payroll Jobs**	31,740	32,660	31,930	-2.8	-0.6
Goods-Producing Industries	4,570	4,610	4,570	-0.9	0.0
Mining & Construction	1,890	1,900	1,950	-0.5	-3.1
Manufacturing	2,680	2,710	2,620	-1.1	2.3
Service-Producing Industries	27,170	28,050	27,360	-3.1	-0.7
Transportation, Comm., & Utilities	1,790	1,790	1,790	0.0	0.0
Wholesale Trade	1,300	1,310	1,400	-0.8	-7.1
Retail Trade	6,590	6,660	6,770	-1.1	-2.7
Finance, Insurance, & Real Estate	1,810	1,810	1,690	0.0	7.1
Services	8,380	8,480	8,340	-1.2	0.5
Government Administration	3,600	3,560	3,580	1.1	0.6
Government Education	3,700	4,440	3,790	-16.7	-2.4

*Preliminary Estimate

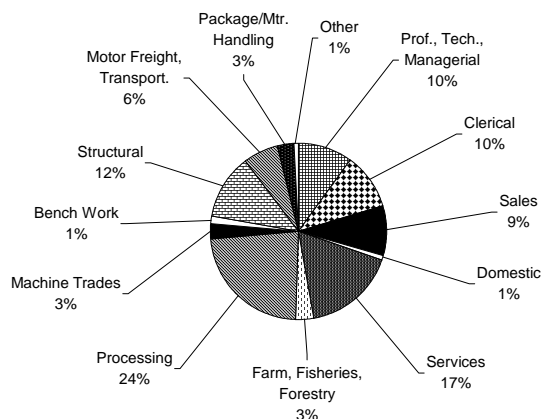
**Full- or part-time jobs of people who worked for or received wages in the pay period including the 12th of the month

Southeast Table 2: Job Openings by Occupational Group

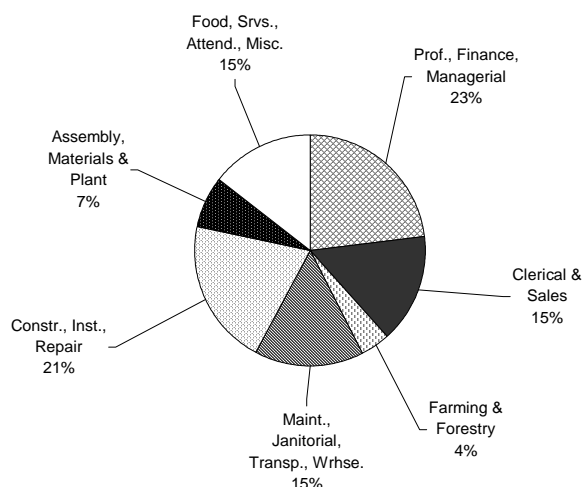
			# Change	% Dhange	Statewide	Statewide
	FY 2001	FY 2002	2001-2002	2002-2002	# change	% change
Prof., Tech., Managerial	796	781	-15	-1.9	-503	-5
Clerical	1119	829	-290	-25.9	-2123	-16.9
Sales	709	720	11	1.6	-1535	-20.5
Domestic	23	51	28	121.7	99	7.3
Services	1253	1339	86	6.9	-1464	-10.4
Farm, Fisheries, Forestry	292	262	-30	-10.3	-1360	-19.7
Processing	1756	1838	82	4.7	-149	-3.7
Machine Trades	172	224	52	30.2	187	8.3
Bench Work	87	93	6	6.9	-1004	-43.7
Structural	635	952	317	49.9	-700	-9.3
Motor Freight, Transport.	464	492	28	6.0	31	0.8
Package/Mtr. Handling	323	241	-82	-25.4	-1131	-17.8
Other	15	76	61	406.7	-114	-12.4
TOTAL	7683	7898	215	2.8	-9766	-12.2

Titles (DOT), will change to the new Standard Occupational Classification (SOC). This updated system is simplified and includes new occupations not in existence when the old system was implemented and eliminates obsolete oc-

Southeast Chart 1: Percentage of Job Openings by Occupational Group



Southeast Chart 2: Current Job Openings by Occupational Groups



cupations. The occupational classifications used for fiscal year 2002 (July 1, 2001 – June 30, 2002) are:

1) Professional, Technical, and Managerial; 2) Clerical; 3) Sales; 4) Domestic; 5) Farming, Fisheries, Forestry; 6) Processing; 7) Machine Trades; 8) Bench Work; 9) Structural; 10) Motor Freight, Transportation; 11) Package/Material Handling; and 12) Other.

A comparison of job openings year-over-year gives an indication of how economic conditions may have affected hiring throughout the area. Job openings from fiscal year 2001 (July 1, 2000 to June 30, 2001) to fiscal year 2002 are compared in Southeast Table 2: *Job Openings by Occupational Group* (page 17). Despite the national recession and recent business closures, there was an increase in job opportunities. While these jobs may not have matched the qualifications and pay some job seekers desired, there were ample jobs available for individuals who wanted to work.

The total number of job openings listed with the area Job Service offices for the seven Southeast Idaho counties of Bannock, Bear Lake, Bingham, Caribou, Franklin, Oneida, and Power increased by 215, from 7,683 in fiscal year 2001 to 7,898 in fiscal year 2002. Two occupational categories, *Processing* occupations (1,838) and *Services* (1,339), accounted for nearly half of all job openings. *Processing* occupations were high because of the continued

need for food service workers and the high level of manufacturing jobs in the area. *Service* occupation needs were driven by the health care and business service sectors. Some occupational groups experienced declining job opportunities. Technology has eliminated the need for some *Clerical* occupations as computers do more of the work formerly done by people and personal computers allow executives and managers to do much of their own clerical work rather than hire additional staff.

In comparison, statewide job openings dropped 14 percent, from 79,443 in fiscal year 2001 to 69,677 in fiscal year 2002. Declines occurred in nine of the twelve major occupational categories. *Bench Work* occupations suffered the highest rate of decline of all occupational categories because the timber and high-tech sectors were particularly hard hit by the national economic recession.

Of all job openings listed with Southeast Idaho Job Service offices, *Processing* occupations (24 percent), *Service* occupations (17 percent), and *Structural* occupations (12 percent) provided more than half of all job opportunities during the fiscal year, as shown in Southeast Chart 1: *Percentage of Job Openings by Occupational Group*. *Professional, Technical & Managerial* occupations, *Clerical* occupations, and *Sales* occupations provided most of the remaining job opportunities over the fiscal year even though the *Clerical* occupational category suffered a decline in job opportunities. The remaining seven occupational categories—*Motor Freight & Transportation*; *Package & Material Handling*; *Machine Trades*; *Farm, Fisheries & Forestry*; *Bench Work*; *Domestic*; and *Other*—provided only 18 percent of all job opportunities over the fiscal year.

Currently, there are 447 job openings listed with the two Southeast Idaho Job Service offices located in Pocatello and Blackfoot. The types of job openings are fairly diverse with a good representation of jobs in all of the occupational groups, as shown in Southeast Chart 2: *Current Job Openings by Occupational Groups*. *Professional, Finance, and Managerial* jobs account for 23 percent of the job opportunities or just over 100 jobs. The high level of job opportunities is driven by the need for healthcare workers. *Construction, Installation & Repair* occupations provide 21 percent of the job opportunities in the area but are seasonal and opportunities will decline as winter approaches. *Maintenance, Janitorial, Transportation & Warehouse*; and *Food Service, Attendants & Miscellaneous Service* occupations combined account for 30 percent of the job opportunities.

Since jobs listed through Job Service account for approximately 35 percent of all jobs available in the area, there are ample jobs available for individuals who want to work despite the national recession and recent job losses in the Southeast Idaho area. Jobs range from entry-wage and entry-skill level jobs to high-wage and high-skill level jobs. Pay for current job openings range from \$5.15 per hour to \$28.00 per hour, but the majority of jobs fall between \$7.00 and \$12.00 per hour.

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NORTHEAST IDAHO

BONNEVILLE, BUTTE, CLARK, CUSTER, FREMONT, JEFFERSON, LEMHI, MADISON, & TETON COUNTIES

EMPLOYMENT TRENDS

The seasonally adjusted unemployment rate for the Bonneville Labor Market Area (LMA) was 3.8 percent for July, up two-tenths of a percentage point from both the previous month and from one year ago, as shown in Northeast Idaho Table 1. Butte and Bingham Counties contributed to the rate increase as they increased 1.2 percentage points and eight-tenths of a percentage point, respectively. Bingham County is largely affected by fresh and processed potato activity, which slowed during the month due to limited availability of the potatoes until harvest of the new crop. Butte County is still affected by layoffs at the Idaho National Engineering and Environmental Laboratory (INEEL) as recent layoffs included another 21 workers, bringing the total laid off since 2001 to 770. Both Bonneville and Jefferson Counties decreased one-tenth of a percentage point month-over-month. The unemployment rate in all but one county in the LMA increased over July 2001. The exception was Butte County where the rate remained unchanged. The unemployment rate in Idaho Falls, the largest city in the LMA, was unchanged at 3.6 percent month-over-month, but was an increase of three-tenths of a percentage point from July 2001.

The unemployment rate in the other counties in Northeast Idaho either increased or remained unchanged from June. The more notable increases were seen in Clark and Custer Counties with a 1.0 percentage point and seven-tenths of a percentage point increase, respectively. Madison County's unemployment rate, the lowest rate in the state, remained unchanged at 1.8 percent. Year-over-year, three counties showed a decrease in their unemployment—Fremont, Lemhi, and Madison. The other three counties—Clark, Custer, and Teton—reported increases; Teton was the most noticeable at 3.3 percent—a 1.2 percentage points increase. The rates can be seen in the statewide data table found on page 3.

Nonfarm Payroll Jobs decreased by 620 jobs month-over-month with losses oc-

Northeast Idaho Table 1: Labor Force & Employment
Bonneville, Bingham, Butte, and Jefferson Counties

	June 2002*	May 2002	June 2001	% Change From Last Month	Last Year
INDIVIDUALS BY PLACE OF RESIDENCE					
Seasonally Adjusted					
Civilian Labor Force	83,330	83,230	81,450	0.1	2.3
Unemployment	3,190	3,030	2,920	5.3	9.2
% of Labor Force Unemployed	3.8	3.6	3.6		
Total Employment	80,140	80,200	78,530	-0.1	2.1
Unadjusted					
Civilian Labor Force	84,060	84,430	82,180	-0.4	2.3
Unemployment	2,790	2,670	2,540	4.5	9.8
% of Labor Force Unemployed	3.3	3.2	3.1		
Total Employment	81,270	81,760	79,640	-0.6	2.0
JOBS BY PLACE OF WORK					
Nonfarm Payroll Jobs**	63,930	64,550	62,440	-1.0	2.4
Goods-Producing Industries	10,230	10,040	10,080	1.9	1.5
Mining & Construction	5,130	4,950	4,890	3.6	4.9
Manufacturing	5,100	5,090	5,190	0.2	-1.7
Food Processing	2,320	2,340	2,690	-0.9	-13.8
Ind. & Com. Mach. & Computer Equip.	590	570	450	3.5	31.1
All Other Manufacturing	2,190	2,180	2,050	0.5	6.8
Service-Producing Industries	53,700	54,510	52,360	-1.5	2.6
Transportation, Comm., & Utilities	2,330	2,360	2,430	-1.3	-4.1
Wholesale Trade	5,370	5,520	5,420	-2.7	-0.9
Retail Trade	11,590	11,730	11,200	-1.2	3.5
Finance, Insurance, & Real Estate	1,980	1,960	1,920	1.0	3.1
Services	22,070	21,700	21,300	1.7	3.6
Government Administration	5,600	5,700	5,740	-1.8	-2.4
Government Education	4,760	5,540	4,350	-14.1	9.4

*Preliminary Estimate

**Full- or part-time jobs of people who worked for or received wages in the pay period including the 12th of the month

curing in the *Service-Producing Industries*. *Government Education* lost 780 jobs as teachers started into their summer break and school districts reorganized to adapt not only for changes in school population but for the budget shortfall as well. Other smaller losses were seen in *Wholesale Trade (Nondurables)*, *Retail Trade* (mostly *Eating & Drinking*), *Government Administration (Federal and State)*, and *Transportation (Trucking & Warehousing)*. *Services* showed a gain of 370, mostly from the *Hotels & Other Lodging* and *Nonprofit Organizations* sectors. A small gain (20 jobs) occurred in the *Finance* sector.

Although none of the *Goods-Producing Industries* experienced losses month-over-month, *Food Processing* in the *Manufacturing* sector did experience a loss of 20 jobs, but it was countered by gains in *Industrial & Commercial Machinery & Computer Equipment* and *All Other Manufacturing*. *Construction* showed a gain of almost 200 jobs as residential and commercial building continues to grow in the area.

A year-over-year gain of 1,490 jobs occurred in *Nonfarm Payroll Jobs*. *Service-Producing Industries* added 1,340 of those jobs, with *Services* adding the most (770). *Services* saw the strongest growth in *Business Services* (280) followed by *Hotels & Other Lodging* (200), *Hospitals* (140), and *Social Services* (120). *Construction* (240), *Retail Trade* (390), and *Government Education* (410)

also showed strong job increases from July 2001. The LMA's economy continues to be stable despite the national economic slump and the local layoffs at INEEL. Losses were seen only in a few industries with *Government Administration* showing the most at 140. With state budgetary concerns, the effect of trimming budgets on jobs was seen in both state (170 jobs) and local (80 jobs) government.

AREA DEVELOPMENTS

Bonneville County

- The west side of Idaho Falls will have an Albertsons superstore sometime next year. The Boise-based food store will construct its 50,000-square-foot superstore on the southeast corner of West Broadway and Skyline Drive. There will also be an Albertson's Express convenience store and gas station at the same location. The Skyline Albertsons will close when the superstore is ready for business. The store is the flagship of Kingston Plaza, a proposed 20-acre retail center including the former Kmart/Ernst store. Watch for new developments over the next few years as Kingston's will still have 115,000-square feet of retail space available after the superstore is completed.
- Corporate Express broke ground at the end of August for its new four-state distribution center and retail store. Construction of the \$8 million building already has started and completion is expected this winter. The company currently employs 80 people, but plans to add another 30 to 40 over the next year as part of the expansion. The company also will be able to share Melaleuca's Koala Kids' day care facility just across the street from the new store. This way, parents will be able to share lunch hours or breaks with their children.
- Grand Teton Harley-Davidson & Buell held its grand opening in mid-August at 848 Houston Avenue in Idaho Falls. Owners Dale and Terri Pyne renovated the former Simplot potato warehouse in order to have a 20,000-square-foot shop with three sections: a showroom, an elevated clothing and parts store, and a service department and repair shop. The store currently employs about 20 people in sales and service. The phone number for the new business is 523-1464.
- Sleepy J Cabins are now available for rent in Swan Valley. Originally started as places for their children to stay on visits, "Jake" Jacobson and Michele Hornby decided to make a business out of it. The nine cabins are comprised of one and two bedroom units and are equipped with phones, mini kitchens, full-sized bathrooms, 27-inch color televisions, satellite service, VCRs, and high-speed Internet access. Sleepy J is located on state Highway 31, an eighth of a mile off of U.S. Highway 26. Additional information can be obtained by calling 483-0411 or on the Internet at <http://www.sleepyjcabins.com>.
- Beehive Federal Credit Union held a groundbreaking for its second Beehive building at 1650 East Sunnyside Road in Idaho Falls at the end of August. The

building will occupy more than 3,000-square feet on the ground floor with two-thirds of a basement. The credit union is expected to open in May 2003. The first Beehive building is located in Rexburg at 65 South Center.

- AutoZone Inc. opened a store at 1562 West Broadway in Idaho Falls at the end of July. The auto parts retailer now operates out of its 5,000-square-foot building offering free testing for batteries, starters, alternators, voltage regulators, and control modules. The store accepts engine oil for recycling and features a Loan-A-Tool program allowing do-it-yourself mechanics to borrow specialty tools for one-time repair jobs. It is open Mondays through Saturdays, 8 a.m. to 9 p.m., and Sundays, 9 a.m. to 8 p.m.
- The local Fraternal Order of Eagles, Lodge No. 576 held its groundbreaking at the beginning of August at 657 Hemmert Drive in Idaho Falls. The new facility will be 12,600-square feet with a 3,520-square-foot banquet facility and kitchen available to the public. The building sits on 4.2 acres and includes RV parking units for visitors. The group is a nonprofit organization whose proceeds go to numerous charitable causes.
- Flashbacks, a new scrapbooking store, recently opened in the Ammon Town Square on Hitt Road. The store carries the latest in die-cuts, stickers, patterned paper, and many other supplies. It will also have classes on scrapbooking ideas and techniques.

Madison County

- Sam Goody, a specialty music retailer, opened an outlet in the middle of August at the Valley River Center in Rexburg. Sam Goody is part of the Musicland Group, a wholly-owned subsidiary of Best Buy Company, Inc. Musicland operates more than 1,300 stores under four names—Sam Goody, Suncoast Motion Picture Company, Media Play, and On Cue. The stores are located in 49 states, Puerto Rico, and the Virgin Islands. This is the first one in Rexburg.

Fremont County

- With the help of grants from the Economic Development Agency and the East Central Idaho Planning and Development Association (ECIPDA), St. Anthony is tearing down six buildings as part of a downtown revitalization effort. ECIPDA owns two of the buildings. After the buildings are torn down, ECIPDA and the city will build two new buildings. One building will house a distance-learning center for Eastern Idaho Technical College along with a 25-student classroom to be shared with ML Technologies. The other building will house six to eight offices for start-up businesses. The remaining property will become a parking lot for ML Technologies.

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F.Y.I.

FOR YOUR INFORMATION

CHANGING THE WAY WE CLASSIFY INDUSTRIES

The North American Industry Classification System (NAICS) is replacing the Standard Industrial Classification (SIC) system used for 60 years to categorize establishments in the United States. The classification system is used by many different types of governmental agencies, businesses, and industries in tracking economic trends. In 1997, various government agencies began the process of converting to NAICS (pronounced "nakes"), and most Bureau of Labor Statistics (BLS) programs will complete the conversion process by spring 2003. The Office of Compensation and Working Conditions and the Office of Employment Projections won't complete the process until 2004, though, and will publish NAICS-based data in 2004 and 2005. To implement NAICS, BLS and its state partners, like the Idaho Department of Labor, have been working for several years to assign the new codes to approximately 8.2 million employers covered by unemployment insurance laws.

The Idaho Department of Labor will publish January 2003 nonfarm numbers based on NAICS from the Current Employment Statistics (CES) program in February. NAICS-based occupational wage data from the Occupational Employment Statistics (OES) program will be published in the fall of 2003. The Covered Employment and Wages (CEW) program, commonly referred to as the ES-202 program, will publish data based on NAICS in 2003.

Reasons to Change

Passage of the North American Free Trade Agreement (NAFTA) in January 1994 led to a need for meaningful statistics about products, sales, and employment across the borders of the United States, Canada, and Mexico. To meet this need, the three countries would have to use the same classification system to allow for direct comparisons of economic data. There was also widespread concern that the SIC system no longer reflected the structure of the U.S. economy. To deal with these issues, three major federal statistical agencies, BLS, U.S. Census Bureau, and Bureau of Economic Analysis (BEA), decided to develop a new industrial classification system with input from both data users and data producers. The first NAICS manual, NAICS 1997, was then published in mid-1998. That manual was later revised to the current NAICS 2002 version. NAICS 2002 is the same as NAICS 1997 for 16 of the 20 industrial sectors. The construction and wholesale trade sectors, however, were substantially changed in

the revision, and a number of retail classifications and the organization of the information sector were also modified.

The numeric system of NAICS coding has no relationship to that of SIC. There are 20 broad categories in NAICS (FYI Table 1: *NAICS Categories*, page 22) compared to only 10 divisions in SIC. The highest level of NAICS classification is called the sector, corresponding roughly with the division level in SIC. NAICS has five levels of classification within detailed codes that have a maximum of six digits (FYI Table 2: *Codes Comparison*, page 22)). SIC provided only four levels of classification within four-digit detailed codes. NAICS was designed to allow industries to be compared at the five-digit NAICS Industry level across the U.S., Canada, and Mexico. The sixth digit of a NAICS classification can be used by each country to further identify industries, and may be used differently to accommodate the different needs of the three countries.

Advantages of NAICS

International Comparability. NAICS was developed in cooperation with Statistics Canada, Canada's national statistical agency, and Mexico's National Institute of Statistics, Geography and Informatics (INEGI), to provide comparable industry statistics across North America.

Relevance. Unlike revisions to the SIC system, NAICS started from a clean slate to recognize hundreds of new and emerging industries and it reorganizes industries into more meaningful sectors, especially in service-producing segments of our economy. The SIC system was developed in the 1930s when the U.S. economy had just transformed from an agricultural base to a manufacturing base; it didn't represent our current service-based economy. Service-producing sectors make up four-fifths of nonfarm jobs in the U.S., yet represented only one-fourth of the SIC codes. Manufacturing, on the other hand, makes up less than one-tenth of our economy, but represented over half of the SIC codes.

NAICS will better reflect today's industrial mix by separately recognizing for the first time over 350 industries such as bed and breakfast inns, cable networks, casinos, environmental consulting, health maintenance organization (HMO) medical centers, nail salons, pet supply stores and pet care centers, satellite communications, semiconductor machinery manufacturing, telemarketing centers, temporary help suppliers, warehouse clubs, and weight reduction

centers. Under the SIC system, many unrelated services and products had to be grouped under the “Not Elsewhere Classified” category in each industrial sector. For example, SIC 7389 (Business Services, Not Elsewhere Classified) included such disparate services as wig styling, telemarketing, swimming pool cleaning, check validation, special events decorating, and embroidering advertising on shirts.

NAICS will also be reviewed every five years to ensure its classifications keep pace with our changing economy.

Consistency. NAICS uses a production-based concept of classification. Under the SIC system, some establishments were classified by the production processes they used, but others were classified by different criteria, such as whether their customers were retail or wholesale. NAICS consistently focuses on grouping establishments with similar activities and processes, rather than focusing on what is produced or on who buys the products. As a result of this focus, the NAICS reclassification will substantially change which businesses are included in certain sectors. For instance, establishments considered to be engaged in wholesale trade under the SIC system, such as the sale of used auto parts or office furniture, could be reclassified as retail trade if they are open to the public. Under NAICS, establishments that sell merchandise in small quantities using public-oriented methods like mass media advertising and high-traffic locations are classified as retailers. Establishments that sell merchandise in large quantities using business-oriented sales methods, such

FYI Table 1: NAICS Sectors

New Code #	NAICS Sector
11	Agriculture, Forestry, Fishing, and Hunting
21	Mining
22	Utilities
23	Construction
31-33	Manufacturing
42	Wholesale Trade
44-45	Retail Trade
48-49	Transportation and Warehousing
51	Information
52	Finance and Insurance
53	Real Estate and Rental and Leasing
54	Professional, Scientific, and Technical Services
55	Management of Companies and Enterprises
56	Administrative and Support, Waste Management and Remediation Services
61	Educational Services
62	Health Care and Social Assistance
71	Arts, Entertainment, and Recreation
72	Accommodation and Food Services
81	Other Services (Except Public Administration)
92	Public Administration

FYI Table 2: Codes Comparison

SIC Codes		NAICS Codes	
Level of Classification	Number of Digits	Level of Classification	Number of Digits
Division	Alpha	Sector	XX
Major Group	XX	Subsector	XXX
Industry Group	XXX	Industry Group	XXXX
Industry	XXXX	NAICS Industry	XXXXX
		U.S. Industry	XXXXXX

as specialized catalogs and warehouse locations closed to the public, are classified as wholesalers.

Under NAICS, auxiliary establishments will also be classified differently than under SIC. Auxiliary establishments—those that provide services such as warehousing or data processing to other organizations within the same company—were classified in the same industry as their parent companies under SIC. NAICS classifies each auxiliary establishment according to the services they provide.

Because NAICS is a new classification system and not a revision of SIC, implementation will cause a break in time series data. The ability to compare future data with historical data, especially when it is over ten years old, will be affected. Agencies are doing their best to ensure as smooth a transition as possible and to use imputed codes to provide historical data for comparison. The advantages of implementing NAICS—international comparability, relevance, and consistency—should compensate for any negative impact. More information about NAICS can be found on the Internet by visiting the BLS site at <http://www.bls.gov/bls/naics.htm>. Statistics Canada’s web address is <http://www.statcan.ca/start.html> and Mexico’s INEGI web address is <http://www.inegi.gob.mx/difusion/ingles/portadai.html>.

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Ask the Economist

Several states include a column in their monthly newsletter entitled "Ask the Economist." We thought this was a good way for us, too, to respond to questions that our readers have on the data and what it really means. We will run the column on a semi-regular basis. Please send your questions, comments, or suggestions via e-mail to lmi@jobservice.us or regular mail to Public Affairs, Idaho Department of Labor, 317 W. Main St., Boise, ID 83735.

To start the series, we address the question "What is the difference between *Total Employment* as a component of the *Civilian Labor Force* and *Nonfarm Payroll Jobs*? During the last year *Total Employment* and the count of *Nonfarm Payroll Jobs* have gone in different directions, which is confusing. So it is time to remind our readers what is included in each of these economic measures. *Total Employment*, which is a component of the *Civilian Labor Force*, is a count of people who live in Idaho who are working, whereas *Nonfarm Payroll Jobs* is a count of jobs.

Idaho's *Civilian Labor Force* counts nonmilitary persons living in Idaho, 16 years of age or older, working or actively seeking work. This information—*Civilian Labor Force*, *Total Employment*, unemployment, and unemployment rate—is commonly known as labor force statistics. A person can work for an employer, be self-employed, or work in a family enterprise as a non-paid worker. A person is counted only once even though he/she might hold more than one job, but the person must reside in Idaho. Individuals who are not working, but are available and actively seeking work, are counted as unemployed as long as they meet the residence and age criteria.

The U.S. Bureau of Labor Statistics (BLS) regression models are used by states to calculate *Civilian Labor Force* components—total employment, unemployment, and unemployment rates—and to seasonally adjust the data. The models use population estimates, data from the monthly Current Population Survey (CPS) conducted by the U.S. Census Bureau, the monthly Current Employment Statistics (CES) survey conducted by the Idaho Department of Labor, unemployment insurance claimant numbers, and historical seasonal employment patterns as the main variables. In Idaho, 762 households are surveyed each month for CPS data. Individual households are rotated in and out of the sample during the 16 month survey period – four months in the survey, eight months out, and then four months back in. Employment status is one piece of data collected each month. While the number of households surveyed in Idaho does not comprise a statistically valid sample for this state, the CPS data is used as an input to the BLS models.

Idaho's *Nonfarm Payroll Jobs* is a count of jobs. About 3,900 Idaho employers provide employment and wages in response to the CES monthly survey. Individuals in this survey can be counted more than once if that individual holds more than one job. Individuals do not have to reside in Idaho, but must work in Idaho and can be as young as fourteen.

Data collected from the CPS and the CES surveys are collected for the week that includes the 12th day of the

month. BLS provides guidelines and the methodology for both surveys and the data are subject to monthly revisions and annual benchmarking. All states use the same procedures for calculating both types of employment counts, which allows for state-to-state comparison.

The following factors could have an impact on *Total Employment*:

- » Changes in population growth
- » Changes in the number of workers per household
- » Changes in industrial segments not easily measured, i.e., self-employed, private households, agriculture workers, etc.
- » Changes in seasonal patterns
- » Changes in the status of the households in the CPS sample

If *Total Employment*, the labor force component (number of people), has declined, shouldn't that also be the case for nonfarm employment (number of jobs)? Not necessarily.

The following factors could have an impact on the number of *Nonfarm Payroll Jobs*:

- » When jobs are filled by out-of-state workers, thereby not increasing Idaho's labor force total employment statistics
- » When jobs are filled by multiple jobholders, thereby not increasing Idaho's labor force total employment statistics
- » When jobs are filled by persons who are 14 and 15 years of age, thereby not included in the labor force statistics

Because of the differences in employment measures, concepts, and methodology, *Total Employment* and the number of *Nonfarm Payroll Jobs* are not comparable. The two employment series can move in opposite directions and still be correct. This has occurred several times in 2002. Even when the two employment series move in the same direction, the magnitude is not always the same.

Given the differences in these employment measures, which should the reader consider the most important? It depends upon your primary interest.

The labor force statistics, which includes *Total Employment*, provide a comparable measure of an area's general economic well-being. The unemployment rate is a single statistic that can be compared state-to-nation, state-to-state, and county-to-county. Even though puzzling month-to-month changes can occur, long-term trends in labor force statistics point to how the economy is faring over time.

Nonfarm Payroll Jobs statistics show the industrial structure of an area's economy and how the industries compare from month-to-month and year-to-year. Individual industry employment changes can be compared to changes in the total number of *Nonfarm Payroll Jobs*, changes in large industrial groupings, and changes in the industry from one area to another.

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State Overview — (continued from page 4)

tional economy begins to show signs of improving, the demand for some of Idaho's products such as computers, lumber, and paper should also increase, thus improving the trucking industry.

Since January 2001 the number of jobs in *Wholesale Trade* has decreased year-over-year. The losses started small with only 500, but by December 2001 that had increased fourfold to nearly 2,000 fewer jobs from December 2000. The job loss was split evenly between *Durable Goods* and *Nondurable Goods*. The goods moving out of the wholesale distribution points decreased as consumer demand decreased. (This also had a negative impact on the trucking industry.) Drought conditions and low prices for agricultural products reduced activity in the fresh fruit and vegetable packing sheds. By July 2002, the number of new jobs in *Wholesale Nondurable Goods* was up 400. *Drugs, Drug Proprieties, & Druggists' Sundries* was the only *Wholesale Nondurable Goods* sector that reported a growth in the number of jobs between March 2001 and March 2002.

During 2001 all but one major grocery chain in Idaho experienced a loss of jobs from the prior year. For example, in July 2000 there were 468 food store establishments with 20,200 jobs compared to 645 establishments with 19,000 jobs in July 2001. Albertsons reported the largest decrease with nearly 500 fewer jobs due to reorganization of administrative offices and closures of stores as a result of their purchase of American Food Stores. Competition and a slow economy have also had an impact on the grocery market.

The year-over-year loss of jobs in the *Hotel & Other Lodging* industry is not just because of the aftereffects of September 11. As early as April 2001, Idaho was experiencing a slowdown in tourist activity. As the economy slowed and the stock market faltered, there was less money for consumers to spend for vacations and for business travel as well.

We've examined the negative trends over the past two years but there are several areas of significant year-over-year job growth to look at, particularly in *Health Services*, *Business Services*, and *Local Government*.

- Since October 2000, the *Health Services* sector has added over 2,000 jobs each month from the prior year. The largest area of growth has been in *Hospitals*. The year-over-year growth in the number of new jobs in *Hospitals* began to slow in early 2002. The length of time a patient is kept in the hospital is declining due to cost-cutting efforts. Most new hospitals are now open and employment is stabilizing. Also, several hospitals recently have consolidated, reducing the number of jobs. Another area with an increase in the number of jobs is long-term and retirement care facilities.

- Activity in *Business Services* has been mixed, but mostly positive. The number of temporary workers decreased in 2001 as many of these jobs were associated with the electronics industry. However, more temporary jobs are becoming available. This could be a sign that the economy is starting to provide more job opportunities. When the number of temporary employment opportunities began to decrease, the loss was offset by growth in the number of jobs in various call centers. Dell Computers opened a new call center in Twin Falls early in 2002 resulting in several hundred new jobs. Other call centers have also expanded their workforce during the year.
- *Local Government* has experienced an expansion in the number of jobs in education. Even with tight budgets, school districts have found it necessary to build more schools and hire more teachers to meet the growing school-age population. Another factor that has had an impact on *Local Government* involves the casinos operated by the various Indian tribes. Prior to 2001, tribal enterprises were classified as private establishments. They are now classified as *Local Government* entities. The casinos provide the largest number of jobs in that sector.

The job outlook for the remainder of 2002 is very cautious. Some industries may have to add a few jobs on a monthly basis, but employment may continue to remain below the prior year. Others will continue to expand even beyond the year-ago level. Major layoffs are not foreseen in the future, but frequently when such a bold statement is made, an event occurs that changes the outlook. We look for very little change; in other words, not a lot of new jobs are coming, but not a lot of existing jobs are going away, either.

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Glossary of Labor Market Terms

Agriculture Employment: Persons on agriculture payrolls who work or receive pay for any period during the survey week. This includes owners, operators, unpaid family members who work at least 15 hours a week, and hired laborers.

Average Hourly Earnings/Average Weekly Hours: The average total money earnings earned by production or non-supervisory workers for selected industries. The average number of hours worked by production or non-supervisory workers including overtime, paid vacation, and sick leave. The data is collected for the week including the 12th of the month.

Average Weekly Earnings: Average Hourly Earnings multiplied by Average Weekly Hours.

Civilian Labor Force: A count of non-institutional persons 16 years of age and over residing within a specific geographic area, excluding members of armed forces, who are classified as employed, unemployed and seeking employment, or involved in a labor dispute.

Consumer Price Index (CPI): A national index measuring changes over time in the price of a fixed market basket of goods and services. There are two indexes—the All Urban Consumers (CPI-U) represents the buying habits of about 80 percent of the non-institutional population of the United States, and the Urban Wage & Clerical Workers (CPI-W) represents 40 percent of the population.

Covered Employers: Employers who are subject to state and federal Unemployment Insurance laws.

Durable Goods: Also known as “hard goods” because they include items manufactured or provided by wholesalers with a normal life expectancy of three years or more.

Employed: Individuals, 16 years of age or older, who worked at least 1 hour for pay or profit or worked at least 15 unpaid hours in a family business during the week including the 12th day of the month. Individuals are also counted as employed if they had a job but did not work because they were: ill, on vacation, in a labor dispute, prevented from working because of bad weather, or temporarily absent for similar reasons.

Initial Claim: Any notice of unemployment filed to request (1) a determination of entitlement to and eligibility for compensation or (2) a second or subsequent period of unemployment within a benefit year or period of eligibility.

Labor Market Area (LMA): An area that consists of a central city or cities and the surrounding territory within commuting distance. It is an economically integrated geographic area within which individuals can reside and find employment without changing place of residence. Idaho has nine LMAs.

Metropolitan Statistical Area (MSA): An area that has either a city with a population of at least 50,000 or a Bureau of Census urbanized area of at least 50,000 and a total metropolitan area of at least 100,000. The Office of Management and Budget designates the MSAs. There are two MSAs in Idaho—Boise City (including Ada and Canyon counties) and Pocatello City (including Bannock County).

Nonfarm Wage & Salary Employment: Persons on nonfarm establishment payrolls (including employees on paid sick leave, paid holiday, or paid vacation) who work or receive pay for any part of the week including the 12th of the month. It is a count of jobs by place of work. It does not include self-employed, unpaid volunteer or family workers, domestic workers in households, military personnel and persons who are laid off, on leave without pay, or on strike for the entire reference period.

Nondurable Goods: Also known as “soft goods” because they include items manufactured or provided by wholesalers that generally last for only a short period of time (three years or less).

Seasonally Adjusted: Data is seasonally adjusted to remove the impact of regular events that occur at the same time every year such as the effect of cold weather on outdoor activities, the Christmas holiday, or the summer influx of youth into the labor market.

Unemployed: Those individuals, 16 years of age or older, who do not have a job but are available for work and actively seeking work during the week including the 12th of the month. The only exceptions to these criteria are individuals who are waiting to be recalled from a layoff and individuals waiting to report to a new job within 30 days—these, too, are considered unemployed.

Unemployment Insurance: Unemployment Insurance is a program for the accumulation of funds paid by employers, to be used for the payment of Unemployment Insurance to workers during periods of unemployment which are beyond their control.

Unemployment Rate: The number of persons unemployed expressed as a percentage of the labor force.

Weekly Benefit Amount: The amount payable to a claimant for a compensable week of total unemployment.

Weeks Claimed: The number of weeks that unemployed workers claimed Unemployment Insurance benefits.

Weeks Compensated: The number of weeks for which compensation was actually paid.